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PART I—Section 1

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इस भाग में भिन्न पृष्ठ संख्या दी जाती है जिससे कि यह अलग संकलन के रूप में रखा जा सके।

Separate paging is given to this Part in order that it may be filed as a separate compilation.

MINISTRY OF COMMERCE

PUBLIC NOTICE

IMPORT TRADE CONTROL

New Delhi, the 25th June 1968

SUBJECT.—*Imports from U.S.A. under the U.S. AID Commodity Program Assistance 1967, (Aid Loan No. 386-H-176).*

No. 119-ITC(PN)/68.—This Public Notice sets out the conditions governing imports under the United States Agency for International Development Commodity Program Assistance 1967 (AID Loan No. 386-H-176).

2. Import licences issued against U.S. AID Loan 386-H-176 shall be subject to the conditions set out in this Public Notice.

3. Attention of importers is specially drawn to the following:—

(a) "Notice to U.S. Business" as prescribed should invariably be submitted to the Department of Industrial Development (AID Section), Udyog Bhavan, New Delhi-11 in all cases and orders placed only after the expiry of the bid closing date.

(b) No order should be placed on a U.S. supplier if it involves opening of a Letter of Credit or an individual shipment of value less than Rs. 41,250 ($5500) (C.I.F.)

(c) No remittance of foreign exchange will be allowed as the licence will be under the Letter of Commitment procedure. Payment to the U.S. suppliers will be effected in accordance with the procedure explained in the Appendix to this Public Notice.

(d) Credit facilities in respect of payment to U.S. suppliers shall be permitted only under a special procedure explained in the Appendix to this Public Notice, which does not permit any Letters of Credit being opened.

(e) All payments to U.S. suppliers must be completed within forty five days of the expiry of the import licence.

APPENDIX

Terms and conditions governing the issue of Import Licences under the U.S. Aid Commodity Program Assistance 1967 (*AID Loan* 386-*H*-176).

(I) *Eligible Items*:

(1) A list of eligible items is given in Annexure I (The inclusion of an item in the list does not, however, imply that licences for the item will necessarily be issued). The minimum value for which a licence will issue is Rs. 41,250. The licence will be valid for the import of goods of U.S. source and origin only. The words "United States" mean the United States of America, any State territory or possession thereof, Puerto Rico and the District of Columbia.

(2) "U.S. Source" is defined to mean that the goods in question have been grown, mined, or produced through manufacturing, processing or assembly in the U.S.A. Items may have non-U.S.A. components only from countries included in Code 899 as defined in clause (IX) below provided that the cost of the components to the supplier does not exceed ten per cent of the lowest export price at which the supplier makes the items available for export, excluding shipping costs and marine insurance.

(3) "U.S. Source" is further defined to mean that the goods are shipped to India either from (a) the U.S.A., or (b) a bonded warehouse or free port if shipped there from the U.S.A. in the form in which received in India.

NOTE: (1) AID, Washington have relaxed the 10 per cent limitation on imported components in certain cases, *vide* Source Rulings of AID, Washington reproduced in Annexure VI.

(2) The supplier should submit an application for approval of commodity eligibility in Form AID-II reproduced in Annexure II C to AID, Washington and have it approved.

(II) *Bid Invitations*:

A. "Notice to U.S. Business" regarding proposed procurement of goods.

(1) Unless A.I.D. waives notification requirements [see clause (III) below], importers are required to follow invariably in all cases before placement of orders on suppliers the procedure explained in Annexure III for notifying U.S. Business regarding the proposed procurement. The "Notice to U.S. Business" to be prepared in accordance with Annexure III should be submitted by the importer to the Department of Industrial Development (AID Section), Udyog Bhavan, New Delhi-11 within one month from the date of issue of the licence.

(2) It is emphasised that if any U.S. supplier asks for information or clarification from the Indian importer in response to the "Notice to U.S. Business", such enquiries must be answered so that the potential U.S. supplier is enabled to quote for the particular commodity to be procured. It is the responsibility of the importer to see that such enquiries are duly answered by him and not ignored. The orders as finalized with suppliers should conform to the provisions of clause (IV) below.

B. Other Procurement Requirements.

Information on Price Accepted and Abstracts of offers and Bids:—Upon request by the Department of Industrial Development,, Udyog Bhavan, New Delhi-11 or by AID, the importer shall furnish an abstract of all price quotations, offers, or bids received, as the case may be, showing: (a) the name and address of all offerers or bidders and their principals, if any (including manufactures or processors of the goods wnere known); (b) the offers they made or the bids they submitted in terms of categories of goods, quantity, quality, delivery time offered and other relevant factors and (c) the name of the successful bidder. In cases where the order was placed or the award made to other than the lowest offerer or bidder the importer will give the reasons for rejecting the lower offers or bids and for accepting the successful bidder.

(III) *Waiver of Notification Requirements*:

1. (i) Proprietary Waiver.—Upon written application by importer, the AID may reduce the 45 days waiting period, or waive this requirement in the case of procurement of proprietary items *i.e.* items which are part of an existing plant or are required for the extension of an existing plant or machinery or items such as spare parts for which orders must be placed on the original suppliers for technical reasons. For this purpose, the importer may apply through the Department of Industrial Development (AID Section), Udyog Bhavan, New Delhi-11, to the Industrial Resources Adviser, U.S. Agency for International Development, American Embassy, New Delhi, while submitting the form of "Notice to U.S. Business". Such requests should contain full and detailed justification for the requested "waiver" and should be supported by documentary evidence wherever necessary Every request should indicate the estimated dollar value, on a F.O.B. or F.A.S. basis, of the equipment for which the waiver is requested. If the request for Proprietary Waiver is based on the need for standardisation of the equipment, the request should include the following information:—

(a) Number of *identical* units of equipment which the importer already possesses;

(b) Number of *similar* units of equipment which the importer already possesses;

(c) Number of employees trained to operate the equipment for which the waiver is requested;

(d) extent of training of such employees; and

(e) extent of availability of service and maintenance facilities in India for the equipment for which the waiver is requested;

(ii) In no case, should such requests or "waiver" be sent directly to AID. They are to be prepared in duplicate and routed through the Department of Industrial Development (AID Section), Udyog Bhavan, New Delhi-11 who, after satisfying themselves that a *prima facie* case for waiver exists, will forward such requests to AID for the latter's consideration and decision. The importer should not finalize the order unless the waiver applied for is granted by the U.S. Agency for International Development, New Delhi.

2. (i) Sole Agency Waiver.—When importers are the exclusive distributors or exclusive franchised assemblers or processors of products supplied by a certain Principal, or are bound by a contractual agreement to by certain kinds or types of products only from that one supplier, the responsibility for securing "waiver" from AID rests with the supplier, who should send the importer two copies of his request. The supplier's request should be submitted to the Office of Small Business, Agency for International Development, Washington, D.C. 20523. The request must be accompanied by a copy of the contractual document governing the Sole Agency Relationship and should be supported by a statement from the supplier similar to the following:—

"We certify that "(full name and address of importer) is bound by contractual agreement to purchase his requirements of (Name or description of commodity or products) only from (name of supplier); that our agreement prevents his purchasing other brands of this commodity, or products from other suppliers; and that he cannot, therefore, consider competitive offers".

(ii) If the waiver is authorised by AID, AID will forward the waiver in duplicate to the supplier. The supplier is responsible for forwarding one copy of the waiver to the importer and for advising the Office of Small Business, AID/W, of any change in his agreement with the importer which may affect the waiver granted by AID. The importer then should send a copy of the waiver to the Department of Industrial Development (AID Section), Udyog Bhavan, New Delhi-11, whether the waiver is still valid and make a reference to the latter of and should await clearance from the said Department. For each import licence issued subsequent to the authorization of the waiver, the importer should inform the Department of Industrial Development (AID Section), Udyog Bhavan, New Delhi-11 whether the waiver is still valid and make a reference to the latter of the Department of Industrial Development which conveyed the original clearance to the operation of the waiver. The importer should not finalize any orders until he has received specific clearance from the Department of Industrial Development.

NOTE.—AID, Washington have decided that "Sole Agency Waivers" issued prior to November 1, 1964 are not valid. The importers holding such waivers should therefore take up the matter with their collaborators and seek a fresh 'Sole Agency Waiver' from AID, Washington.

(IV) *Price of Commodities and Their use and Restrictions on Order Placement*:

(1) The goods should be procured at reasonable prices which should normally approximate the lowest competitive export market price, having regard to quality, time and cost of delivery and other factors. In addition, prices for purchases in bulk shall not exceed the market price prevailing in U.S.A. at the time of purchase, adjusted for differences in the cost of transportation to destination, quality and terms of payment. (The supplier certifies to this price of requirement in the Supplier's Certificates Forms AID-282 AID-283 and AID-285 shown in Annexure II-IIA and IIB respectively). The prices at which contracts are concluded by the importer will be subject to check by the Government. The contract prices should be shown in U.S. Dollars only.

No order should be placed on a U.S. supplier if it involves issuance of letter of credit or a single shipment of value less than five thousand and five hundred dollers C.I.F. This stipulation will also apply in respect of each order where ordering on more than one U.S. supplier is involved. The total value of all such orders should not, however, exceed the dollar value of the licence which will be worked out at $ 100=Rs. 750.

(2) *Orders should be placed within three weeks of the expiry of the bid closing date or the grant of waiver of the Notice to U.S. Business procedure as the case may be.*

(3) No order should be placed on any of the ineligible suppliers listed in Ministry of Commerce Public Notice No. 47-ITC(PN)/68 dated the 27th March, 1968 as amended from time to time. Further, while placing orders and while opening letters of credit, it should be made clear to the U.S. supplier that payment shall be made to him only if he has not been debarred or suspended or declared ineligible by the United States up to the time of payment for participating in AID financed transactions. No order should be placed on suppliers located outside the U.S.A. Also, no order should be placed if import cannot reasonably materialise within the validity period of the licence.

(4) Any contracts entered into in violation of the conditions of this paragraph will render the licence liable to cancellation. Goods imported under this Import Licence shall be used only for the purposes for which the import licence is issued and/or in accordance with such conditions as may hereafter be prescribed by Government. Further, as all items imported under U.S. AID Loans are intended to meet the immediate needs of the economy *the items imported under this licence should be put into use promptly, say within a period of one year of their arrival.* In the event of more time being required for utilisation, the importers should report the matter immediately to the Department of Industrial Development (AID Section), Udyog Bhavan, New Delhi and seek their guidance.

(V) *Payments against Import Licence—Letter of Commitment Procedure:*

(a) *where no credit facilities are involved:*—

(1) No remittance of foreign exchange will be allowed from Indian in respect of Import Licences issued under the Letter of Commitment procedure. The U. S. suppliers will be paid directly by the designated U. S. Banks against Letters of Commitments opened in their favour by the Agency for International Development, Department of State, Washington. on submission of documents detailed in Annexure VII.

(2) The licencee should, before finalising contracts or placing orders with the foreign suppliers, ensure that the procedure laid down in the various clauses (particularly clauses (II) to (IV) above) has been fully complied with. The licencee should also ascertain from the U. S. supplier prior to placing orders whether he has an agent in India and whether any commission to that agent will be involved. Where the prices include any commission for the agent in India, the importer shall provide in the contract with the U. S. supplier that the commission to the agent will be payable in rupees through the Importers' bankers in India. This commission, although payable in rupees in India, will be duly taken into account against the value of the imports authorised under the licence and equivalent amount will not therefore be available for additional imports under the licence. If payment of commission to the agent in India is involved, it should be clearly stipulated in the contract with the U. S. supplier and the commercial letter of credit opened subsequently in his favour that two sets of detailed commercial invoices be submitted by the supplies to the U.S. Bank when seeking payment under the Letter of Credit, the first set of invoices showing only the gross sales amount and placed in a sealed cover addressed to the importer and the second set showing the net price plus agents' commission, the gross sales amount, the name and address of the agent in India to whom payment is to be made, accompanied by the original suppliers' certificate, AID Form 282 Annexure II and placed in a sealed cover marked "For AID and the Government of India". In cases where no agents' commission is involved the contract with the U. S. supplier as well as the Letter of Credit to be opened subsequently in his favour shall stipulate that the invoice must be accompained by a certificate from the supplier in the form AID-283-(Annexure IIA) prescribed by AID Washington to the effect that no agents' commission is included in the invoice.

(3) Within three months of placement of orders, the importer should apply to the Senior Accounts Officer, Economic Aid Accounts, Ministry of Finance (Department of Economic Affairs), Jeevan Deep Building, Parliament Street, New Delhi for a separate and express authorisation for opening a commercial letter of credit. The application should be in the form in Annexure IV and should be accompained by a Bank Guarantee in the form in Annexure V obtained from an authorised dealer in foreign exchange in India. The Bank Guarantee should be for the full value of the import licence plus one percent thereof. The Bank Guarantee should be executed on a non-judicial stamp paper, the value of the stamp being adjudicated by the Collector in accordance with the proisvions of Section 31 of the Stamp Act, 1899.

(4) If the application is found in order, the Ministry of Finance, Department of Economic Affairs, will communicate their Authorisation for the requisite amount to the importer and the Indian bank concerned, indicating, *inter-alia*, the Letter of Commitment number opened by AID and the conditions thereof as well as the name of the U.S. Bank with whom Letter of Credit in favour of U.S. suppliers should be opened. The Department of Economic Affairs will also advise the U.S. bank concerned suitably. But this advice to the U.S. Bank will be sent to the Indian Bank along with their copy of the authorisation letter, who should then transmit it to the U. S. Bank while opening the Letters of Credit. The Letters of Credit should be opened within three weeks from the date of issue of the authorisation under intimaion of the Ministry of Finance failing which the authorisation shall lapse. The Letter of Credit opened by the Indian Bank on the designated U. S. Bank against the Letter of Commitment of AID should detail the conditions to which the licence is subject, call for the submission of all the documents detailed in Annexure VII, and should stipulate instructions on the submission of two sets of invoices as explained above where payment of commission to an agent in India is involved, stating clearly that only the net amount shown in the second set of invoices should be paid to the supplier. It should be noted that no Letter of Credit can be opened for a value less than $ 5500 and no individual shipment should be permitted if its CIF value is less than $ 5500. The Indian Banks will

use the prescribed form sent to them separately by the Ministry of Finance for requesting opening of Letters of Credit. The requests for opening Letters of Credit must accord completely with the authorisations for opening Letters of Credit issued by the Ministry of Finance. There should be no discrepancies in any respect.

(5) Within seven days of the receipt of advice of payment with shipping documents from the U. S. Bank, the Indian Bank concerned shall collect from the importer the cost of imports in rupees at the rate of Rs. 757:50 for $ 100:00 plus interest charges at 6 per cent per annum for the period from the date of payment to the U. S. supplier by U. S. Bank to the date of deposit of the rupee equivalent. If payment of commission to an agent in India is involved, the recovery shall be on the basis of the gross invoice and the Bank will then make commission payments to the agent in India on the basis of the invoice showing the net price, commission and gross amount marked "for AID and the Government of India" within seven days of the recovery at the rate of exchange prevailing on the date of payment was made to the U. S. supplier by the U. S. Bank, after obtaining a certificate from the agent in India to the effect that:—

(i) he has performed services in India constituting a direct and substantial contribution towards securing the sale of the commodity or commodity related service financed by AID hereunder;

(ii) he has performed such services in India; and

(iii) he maintains a regular place of business in India.

(6) If no payment of agents' commission is involved, the recovery by the Indian Bank from the importer will be on the basis of the single invoice. The amount collected from the importer, minus commission to the agent in India, where applicable, paid in the manner explained above, should be deposited by the bank to the credit of the Government of India in the Reserve Bank of India, New Delhi or the State Bank of India, Delhi or if it is not feasible remitted by means of a Demand Draft drawn in favour of the Accountant General, Central Revenues, New Delhi on the State Bank of India, New Delhi. Thereafter, the Treasury challan evidencing the deposit shall be sent by registered post to the Senior Accounts Officer, Ministry of Finance, Department of Economic Affairs, Economic Aid Accounts Section, Jeevan Deep Building, Parliament Street, New Delhi indicating references to and enclosing copies of the Invoice/Shipping Documents and the authorisation of that Department to which the transaction relates. The Indian Bank concerned shall also, on demand by the Government of India, arrange deposit within seven days in the Reserve Bank of India, New Delhi/State Bank of India, Delhi or if it is not feasible, by means of a Demand Draft drawn on the State Bank of India, New Delhi in favour of the Accountant General, Central Revenues, New Delhi of such additional amount on account of service charges and/or interest as may be demanded by the Government of India. The Indian bank concerned shall release the shipping documents (the invoice figuring in the shipping documents shall be the gross one in the sealed cover addressed to the importer where payment of agents' commission is involved) to the importer only after the deposits aforesaid are made to the Government of India.

(7) Where agents' commission, other than commission to agents in India, is involved, the letters of credit shall clearly indicate that such commissions paid by U.S. suppliers should conform to the provisions of the relevant Letter of Commitment and AID Regulation.

(8) After the obligations in terms of the Bank Guarantee and the Letter of Credit authorisation issued by the Ministry of Finance are fulfilled, the Indian Bank can apply to the Senior Accounts Officer, Economic Aid Accounts Section, Ministry of Finance, Department of Economic Affairs, for the release of the bank guarantee. The application must be made by the Indian Bank (not by the importers) and must be in the form laid down in Annexure XIII.

NOTE.—(1) The above arrangement does not absolve the importers of their responsibilities and obligations to make the necessary rupees deposits within the prescribed time limit.

(2) The rate of exchange *viz.*, $ 100=Rs. 757:50, mentioned above is the prevailing composite rate of exchange and any change in the same will be notified as and when decided upon by the Government of India.

(3) The amounts including interest and sevice chtrges to be deposited to the Credit of the Government of India shall be creditable under the Head of Account "T-Peposits and Advances—Part II Deposits not bearing interest—C—Other deposits—Civil deposits—Deposits for purchase under U.S. AID Loan No. 386-H-176", and the Accountant General, Central Revenues, New Delhi shall be shown as the accounts officer who will adjust these credits.

(4) It should be noted that urchase commissions payable to an agent of the importer in the U.S.A. in connection with AID financed imports, if any, will be debitable to the licence, though it will not be financeable from out of the loan funds. Remittance of oreign exchange or purchasing commission, would be governed by the Reserve Bank of India exchange control regulaions. Payments to Inspection agencies in U.S.A. for servces rendered in inspecting commodities shall also be debitable to the licence and such payments will be financcable from out of the loan funds. No commission or service charges shall however be payable to any supplier, directly or indirectly, for services rendered in coordinating supplies and aranging a single shipment described in Annexure III to this Public Notice.

(5) There is no objection to suppliers, at their otion, following the single invoice system even if commission to the agent in India is involved and sending the detailed invoice showing the net price agents' commission and the gross sales amount to the importer.

(V) (b) *Where Credit facilities are involved:*—

(1) Credit facilities offered by suppliers can be availed of by importers, only if:

(i) the U.S. supplier, *at his own risk*, is willing to sell to the Indian importer without requiring the establishment of a letter of credit as a basis of payment;

(ii) the U.S. supplier is agrecable to extend the Credit without charging the importer interest for this accommodation either directly or indirectly;

(iii) the period of credit does not extend beyond 90 days after the date of shipment;

(iv) the U.S. supplier is agreeable to the payment procedure indicated herein; and

(v) the importer makes the deposit as detailed in the succeeding paragraph within eighty days of the date of shipment or not later than one month after the date of expiry of the validity period of the licence exclusive of grace period whichever is earlier.

(2) The supplier shall forward to the importer the shipping documents to enable him to clear the goods from the port. The invoice figuring in the shipping documents shall show in dollars the gross sales amount, net price, commission payable to the supplier's agent in India, if any, and the name and address of the agent. Within eighty days of the date of shipment, or not later than one month after the date of expiry of the validity period of the licence, exclusive of grace period, whichever is earlier, the importer should deposit to the credit of the Government of India in the Head of Account indicated in Note 3 under the above sub-clause in the Reserve Bank of India, New Delhi or the State Bank of India, Delhi showing the Accountant General, Central Revenues, New Delhi as the Accounts Officer responsible for adjusting the credit, the rupee equivalent of the net price shown in the invoice calculated at Rs. 757·50 for $100.00, plus 1/3 of 1% of the said rupee equivalent of the net price towards U.S. Bank charges and submit the treasury chalan evidencing the deposit by registered post to the Senior Accounts Officer, Ministry of Finance, Department of Economic Affairs, Economic Aid Accounts Section, Jeevan Deep Building, Parliament Street, New Delhi enclosing copies of the invoice/shipping documents. The challan, together with one set of documents detailed in Annexure VII should be accompanied by a letter in form in Annexure IV marked in red on the top "Credit Facilities Case", and requesting the Senior Accounts Officer to authorise payment of the net amount in dollars to the U.S. supplier in question. The agent in India of the U.S. Supplier should be paid on the date of deposit to the Government an amount in rupees equivalent to the value of the agents commission indicated in the invoice calculated at

the rate of exchange applicable to the date of deposit, after obtaining a certificate from him to the effect that:—

(i) he has performed services in India constituting a direct and substantial contribution towards securing the sale of the commodity or commodity related service financed by AID hereunder;

(ii) he has performed such services in India; and

(iii) he maintains a regular place of business in India.

If no payment of agents' commission is involved, the rupee deposit to be made to the Government Account shall be for the full value of the invoice/shipment. A certificate should be recorded in the letter forwarding the challan to the Senior Accounts Officer, Ministry of Finance, where payment of commission to the Indian agent is involved to the effect that the agent has been fully paid in the manner indicated above. If the deposit, the letter forwarding the challan and the shipping documents are in order, the Senior Accounts Officer, Ministry of Finance, Department of Economic Affairs, will authorise a U.S. Bank holding a Letter of Commitment from AID, Washington to make the payment of the amount involved to the pertinent U.S. supplier under the Letter of Commitment on the presentation of the requisite AID documentation detailed in Annexure VII and claim reinbursement from AID, Washington.

Note.—The Exchange rate indicated above is the prevailing composite rate of exchange and any change in the same will be notified as and when decided upon by the Government of India.

(VI) *Documentation*:

The importer is responsible to see that the supplier completes and submits the documents listed in Annexure VII to the U.S. bank at the time of claiming payment for the goods supplied. Each document must show the loan No., details of import licence and if possible, the Ministry of Finance Letter of Credit authorisation particulars. (No. and date).

(VII) *Report regarding orders placed*:

(1) With a fortnight of the placement of orders, a report should be sent by the importers (with a copy to the Ministry of Finance, Department of Economic Affairs, Economic Aid Accounts Section) to the Department of Industrial Development (AID Section), Udyog Bhavan, New Delhi-11, consisting of the following information and documents:—

A. Number, date and value of the import licence and relative AID Loan No.

B. Value and quantity of orders placed and accepted by the supplier.

C. Name and address of the supplier.

D. General description of the items to be imported and Commodity Code No., if known.

E. A copy of the order placed on the supplier and of his acceptance.

F. Number and date of the communication from the Department of Industrial Development (AID Section) relating to publication of "Notice to U.S. Business" or grant of "waiver".

Any change in the terms of the order should be intimated promptly to the Department of Industrial Development (AID Section), Udyog Bhavan, New Delhi-11 as well as the Ministry of Finance, Department of Economic Affairs (Economic Aid Accounts Section), New Delhi.

(2) In cases where imports of rubber tyres and tubes are involved, the importer shall as soon as the purchase contract is made, inform the Industrial Resources Adviser, U.S. AID Mission, New Delhi of the name and address of the U.S. Supplier and the particular of the transactions.

(VIII) *Actual User Licences*:

(1) Holders of Actual User Licences for raw materials, components and spare parts may, at their discretion, import more or less of any items of raw materials or components covered by their licences, subject to the following conditions:—

A. The procedure in clauses (II), (III) and (IV) is observed;

B. The face value of the licence is not exceeded;

C. If in respect of any item(s) covered by his licence, a face value restriction, or value limit, or quantity limit, has been indicated in the licence or made applicable, the licensee can import such item(s) more in value or quantity, as the case may be, not exceeding 10% of the specified limit, or quantity limit, or face value restriction, provided the total import does not exceed the overall face value of the licence.

D. The licensee may import permissible spare parts and small tools, including spare parts of machine tools, against his licence for raw materials and components, to the extent of 25 per cent of the face value of the licence, within the overall value of the licence. For this purpose, permissible spare parts/small tools have been defined as under:—

(i) the permissible spare parts are those which are required for the plant, machinery and equipment, installed or used in the licence holders' factory but spare parts which are listed in Appendix 2 to the relevant Import Trade Control Policy (Red Book Volume-I) will not be allowed to be imported;

(ii) the permissible small tools are those which are classified under Sr. No. 20 Part II of the I.T.C. Schedule and are shown as licensable to actual users in the relevant Import Trade Control Policy Book (Red Book Vol. I) excluding those specified in Appendix 15 of the said Policy Book;

(iii) the permissible spare parts of machine tools are those which are required for the machine tools installed or used in the licence holders' factory. The import of spare parts of machine tools specified in Schedule 'B' of Appendix 11 to the relevant Import Trade Control Policy Books (Red Book Volume-I) will not be allowed.

(2) The above facility will be allowed by the Customs Authorities on the strength of this Public Notice and it will not be necessary for licence-holders to get their licences specially endorsed for this purpose.

NOTE.—In placing orders under the facility allowed in this clause, the conditions that no order can be placed on a U.S. supplier if it involves issuance of any letter of Credit in dollars and that the minimum of the single shipment permissible shall be $5500 of a sum less than $5500 the CIF should be kept in view.

(IX) *Ship ment of goods*:

(1) It should be ensured that at least 60 percent of the total tonnage of all orders placed against the licence (computed separately for dry bulk carriers, dry cargo liners and tankers) is shipped on U.S. flag commercial vessels. The remaining (i.e., upto 40 percent of the) tonnage should be shipped on Indian vessels to the extent that such Indian vessels are available at competitive and reasonable rates of freight. If, however, no suitable Indian vessel is available at competitive and reasonable rates, a non-availability certificate should be obtained by the importer/supplier from the Secretary, Shipping Coordination Committee, Ministry of Transport, New Delhi (Cable: Transchart) or the Ministry of Transport's forwarding agents in U.S.A. namely M/s. Dyson Shipping Co., 17, Battery Place, New York-4, N.Y. Freight Charges in respect of goods transported on Indian flag vessels shall be payable in Indian rupee only.

(2) If the non-availability of Indian flag vessels is established in the manner prescribed above, the importer/supplier may ship those goods (i.e., upto 40% of

the tonnage ordered against the licence) in a third country vessel. The vessels so used should be of countries included in Code 899 of the AID Geographic Code in effect at the time of shipment. The Code includes all countries except the following:—

> The Union of Soviet Socialist Republics, Albania, Bulgaria, Czechoslovakia, East Germany, Estonia, Hungary, Latvia, Lithunia, Rumania, Poland, Danzing, Vietnam (north), North Korea, China (Mainland), and Communist controlled areas (which include Manchuria, Inner Mongolia, the provinces of Tsinghai and Sikang, Sinklang, Tibet, the former Kwantung leased territory, the present Port Arthur Naval Base Area, and Liaoning Province), Outer Mongolia and Cuba.

(3) In order to facilitate remittance of ocean freight in cases where third country vessels are used in the circumstances and under the conditions set forth in the preceding two sub-paragraphs of this clause, the importer should at the time of placement of orders, ensure that it is stipulated in addition to the shipping documents etc. required for the purpose of negotiations, the suppliers or shippers should produce the prescribed certificate regarding non-availability of Indian vessels, in the event of goods upto 40% tonnage limit being transported by third country vessels for drawing the freight amount. As, however, the freight amounts in such cases are not financeable out of AID Loan, the U.S. banks will, after payment, claim reimbursement therefore from the Indian bank concerned. The latter will then remit the amount involved to the U.S. bank on the basis of the non-availability certificate aforesaid notwithstanding anything to the contrary mentioned in this Public Notice or on the import licence.

(4) No part of the goods should be shipped in any of the vessels notified in the Ministry of Commerce Public Notice No. 118-ITC(PN)/66 dated the 11th August, 1966 as amended from time to time. The instructions to the U.S. suppliers should call for the following certificate:—

> "The vessel owner or operator certifies that the vessel which will perform under this contract is not a vessel which has been banned by AID for transporting AID financed goods. The vessel owner or operator further certifies that they assume full responsibility for any claim filed by AID. Washington or any other authority in case of violation of the requirement".

(5) Shipment of goods by chartered vessels can be done only when the charter has been approved by AID, Washington for which purpose application should be made to the Resources Transportation Division. AID, Washington D.C. 20523. Further the charter must be in conformity with the above stipulations in regard to shipping.

(X) *Insurance of goods*:

Insurance may be effected either with U.S. or Indian Insurance Companies. In respect of insurance covered with Indian Insurance Companies, insurance premia shall be payable in rupees.

(XI) *Claims on insurance companies, suppliers, steamer companies etc*:

(i) Claims for deficiency in quality and specification of defective goods, short-landings, damages, etc., with the suppliers/steamer companies/U.S. insurance companies shall be settled in dollars, the payment beng remitted by the supplier/steamer companies U.S. insurance companies to the concerned Bank in India of the import. There is, however, no objection to claims arising out of shortlanding and/or damages to goods while in transit with shipping companies, being settled by the shipping companies' representatives in India in rupees. Cases of deficiency in quality or specification, damage in transit, shortlandings, etc. of the goods imported should be taken up promptly with the supplier, shipper, insurance company etc. and claims filed and pursued till they are finally settled. Immediately upon the settlement of the claims, the importer should notify the Senior Accounts Officer, Economic Aid Accounts Section, Department of Economic Affairs, Jeevan Deep Building, Parliament Street, New Delhi all the details of such payment and also furnish a certificate from the concerned Indian Bank that all the foreign exchange in connection with the settlement of the claims has been received in India. It is imperative that importers should receive the claim in India, and shall in no case arrange for their being credited to their accounts, if any, with the suppliers/shippers/Insurance companies abroad. In addition, quarterly statement as in the Form enclosed as Annexure VIII should be rendered in duplicate to the Senior

Accounts Officer Economic Aid Accounts Section, Department of Economic Affairs, Jeevan Deep Building, Parliament Street, New Delhi. Care must be taken to indicate in the appropriate columns the nature of the claim, amount of claim, amount actually realised etc. Where the settlement has been effected in foreign currency, it should be prominently specified in the proforma. In cases where the goods shortlanded or damaged etc. have been replaced or repaired etc. the fact should be indicated giving the nature of replacements etc. effected, whether from abroad or locally and the actual expenditure incurred thereon with the currency involved. This is essential because the Govt. are liable to refund the amount of the claims received to AID in dollars, unless the items shortlanded etc. are replaced or repaired (subject to certain conditions). In cases where it is not proposed to obtain replacement, this fact should be specified in the report. Where the importer receives any adjustment, rebates and discounts from the suppliers, information in this regard should also be furnished by them promptly to the Government in the porforma mentioned above (Annexure VIII). Failure to furnish these reports correctly and punctually will be viewed seriously by Government and importers will lay themselves open to appropriate penalties under the Import and Export (Control) Act.

(ii) *Special instructions regarding marine insurance policies obtained from Insurance companies in U.S.A.*

With respect to any marine insurance Co.'s payment, which a marine insurance company of U.S.A. makes under a marine insurance policy financed under the AID Letter of Commitment, the supplier of the marine insurance shall within 15 days of making such payment, report to AID, Office of the Controller, Washington D.C. under intimation to the Senior Accounts Officer, Deptt. of Economic Affairs, Ministry of Finance, Jeevan Deep Building, Parliament Street, New Delhi, the amount and the date of the payment, a description of the Commodity the AID loan number, name of the carrier, vessel and voyage number (alternatively, flight or inland carrier run number), date of the bill of lading, the identity and address of the assured and the identity and address of any assignee of the assured to whom payment has actually been made.

(XII) *Marking of Commodities*:

The importer shall make arrangements with his suppliers to comply with the requirements regarding marking of the commodities imported as set out in Annexure XI.

(XIII) *Report regarding procurement and shipping*:

Importers should furnish direct to the Senior Accounts Officer, Economic Aid Accounts, Ministry of Finance (Deptt. of Economic Affairs), New Delhi, every quarter, procurement and shipping reports each in duplicate. The formats of these reports are given in Annexure IX and X hereof. The importers should compile these reports *separately with reference to each authorisation received* by them from the Ministry of Finance (Department of Economic Affairs) every quarter, within 15 days of the end of the period to which they relate. Each report should contain reference to the licence number and the relevant authorisation. It is essential that the importers strictly adhere to the time limit of 15 days mentioned.

(XIV) *Records and Inspection*:

In order to identify the items financed under the loan, to disclose their costs and their use, to show the nature and extent of solicitation of prospective suppliers and the basis for the award of the contracts or orders involved and to indicate the progress in their utilisation, the importer shall maintain a copy of each of the following documents:—

(a) Import Licence.

(b) Invitation to Bids.

(c) O.S.B. Notice or copy of waiver of this requirement.

(d) Bids received (in original).

(e) Evaluation of bids, including justification for award.

(f) Copies of orders or contracts placed.

(g) A list of all shipments received.

(h) For each shipment, a copy each of the following documents:

(i) Supplier's invoice.

(ii) Bill of lading.

(iii) Packing list.

(iv) Certificate of origin.

(v) AID suppliers certificate and invoice and contract abstract (Form 282).

(i) Stock and inventory record which will include information concerning the receipt, disposition and/or utilisation of imported items. These should be part of the importer's ordinary stock and inventory record and they need not maintain these records separately for the items imported under U.S. AID. However, where the imports are made by established importers who are not themselves the end-users the importers should maintain records to show the sale/distribution of the commodities imported.

(j) Ministry of Finance Letter of Authorisation and Letter of Credit opened thereunder.

(k) Claims of insurance—all correspondence involved. Such books and records shall be maintained for a minimum period of seven years after the receipt of the commodity. The importer shall enable the authorised representative of the AID to inspect the utilisation of all items imported under the licence and the records and books maintained in that connection and shall afford all reasonable opportunity and assistance to them for such examination.

(XV) *Notifying Supplier*:

The importer should apprise the supplier that AID Regulation I as published in U.S. Government Federal Register dated the 25th May, 1967 as may be amended from time to time applies to the transaction.

(XVI) *Special conditions*:

Some special conditions are applicable to imports of certain items. These special conditions and the items concerned are set out in Annexure XII. The importer shall ensure that the special conditions, as applicable to the import of the items in question, are observed in addition to the other conditions detailed in this Public Notice. He should also ensure that the contract entered into with the U.S. Supplier embodies *inter alia*, the relevant provisions with which the U.S. Supplier has to comply under such special conditions.

(XVII) *Disputes*:

It should be understood that the Government of India will not undertake any responsibility for disputes, if any, that may arise between the importers and suppliers.

(XVIII) *Future Instructions*:

The importer shall promptly comply with any directions, instructions or orders issued by Government regarding any and all matters arising from or pertaining to the imports.

(XIX) *Breach or Violations*:

Any breach or violation of the conditions set forth in the clauses mentioned above will result in appropriate action under the Imports and Exports (Control) Act.

(XX) *List of Annexures by Titles*:

Annexure I:	List of Eligible items.
Annexure II:	Suppliers' Certificate.
Annexure IIA:	Certificate as to Commission and Service payments.
Annexure IIB:	Certificate and agreement regarding concerted pricing.
Annexure IIC:	Application for approval of Commodity Eligibility.
Annexure III:	Notice to U.S. Business.
Annexure IV:	Form of application for authorisation under Letter of Commitment.
Annexure V:	Bank Guarantee form.
Annexure VI:	Source Rulings.
Annexure VII:	Documents required from suppliers.
Annexure VIII:	Quarterly statement of claims relating to short-ladings etc.
Annexure IX:	Quarterly progress report on procurement.
Annexure X:	Quarterly Report on Shipping.
Annexure XI:	Marking requirements.
Annexure XII:	Special conditions applicable to certain items of import.
Annexure XIII:	Form of application for release of bank guarantee.

ANNEXURE I

(a) *List of eligible items for purchase from the U.S. open market.*

Sl. No	AID Commodity Code	Description	Special conditions
1	2	3	4
1		*Fats & Oils—When used for other than edible Purposes.*	
	0501	Lard	See Annexure XII
	0502	Tallow and other animal fats & oils	
	0503	Whale Oil & Fish Oils	
	0504	Soybean oil	
	0505	Peanut oil	
	0506	Linseed oil	
	0508	Other vegetable oils and fets not elsewhere classified	
	0514	Soap Stock & Fatty Acids	
	0515	Cotton seed oil	

Exception: The following items are not eligible:—

Coconut oil
Castor oil
Palm oil
Oiticica oil
Tung oil

1	2	3	4
2		*Oil Seeds—When used for other than edible Purposes*	
	0521	Soyabeans	See Annexure XII
	0522	Peanuts	
	0523	Flax seed	
		Exception :—The other oilseeds, not elsewhere, classified, are *not* eligible.	
3	0609	*Oil Cake and meal and other feeds and fodder*	
		When used for the manufacture of antibiotics .	See Annexure XII
4	0709	*Other sugar and related products.*	
		Lactose for industrial or pharmaceutical use and beat molasses for use in the manufacture of cyanocobalamin only. Otherwise all other items are ineligible.	
5	190	*Vegetable fibres (except Cotton)*	
		Cordage Fiber only is eligible. All other items are ineligible.	
6	2109	*Miscellaneous Inedible Animal, & Vegetable Products.*	
		Only Caseins ; Albumins ; Peptones ; Gelatins ; Dextrins and their chemical derivatives ; Glues ; Adhesives ; Albuminoidal substances, when used for industrial purposes, are eligible. Otherwise all items are ineligible.	
7		*Live Animals.*	
	2114	Baby Chicks	See Annexure XII
	2119	Live sheep	
8	2139	*Naval stores, Gums & Resins*	
		Exception :—Shellack, flake, is not allowed.	
9	2209	*Alchohols*	
		Exception : Alcoholic beverages are *not* eligible.	
10		*Nitrogenous Fertilisers*	
	2302	Ammonium sulphate	See Annexure XII
	2308	Urea	
	2309	Other Nitrogenous Fertili:— Ammonium Nitrate only. All others are ineligible.	
11		*Potassic Fertilisers*	
	2332	Potassum chloride	See Annexure XII
	2333	Potassic chemical ertilisers, not elsewhere classified	
	2334	Natural potassic salt fertilisers, crude.	
12		*Chemical & mechanical fertiliser mixtures.*	
	2341	Ammonium Phosphate	See Annexure XII
	2343	Mixed Chemical fertilisers	
	2344	Natural animal and vegetable fertiliser, chemically treated.	

1	2	3	4
13		*Phosphates and Phosphatic Fertiliser Materials*	
	2351	Phosphate rock	See Annexure XII
	2354	Other phosphate fertilisers, not elsewhere classified.	
	2355	Super phosphates, less than 40 % P_2O_5	
	2356	Super phosphates 40% or more P_2O_5	
14		*Pesticides and agricultural chemical specialities (excluding DDT)*	
	2362	Household and industrial pesticides and similar products packed for retail sale.	See Annexure XII
	2363	Agricultural pesticides and similar products packed for retail sale.	
	2364	Pesticides not elsewhere classified and similar products not elsewhere classified	
	2365	Fungicides	
	2366	Herbicides and Defoliants	
	2367	Insecticides	
	2368	Rodenticides	
	2369	Fumigants.	
15		*DDT (For all purposes) : 20% or more DDT*	
	2371	DDT Technical	See Annexure XII
	2372	DDT formulation containing 20 to 74 % DDT	
	2373	DDT formulation containin7 75% or more DDT	
16		*Medicinal & Pharmaceutical Preparations*	
	3701	Finished Medicinal & Pharmaceutical preparations	See Annexure XII
	3702	Medicinal chemicals & Biologics.	
	3705	Vaccines, Antitoxins, & Toxoids for Veterinary use	

Exceptions: The following items are *not* eligible—

1. Aminopyrine
2. Blood Plasma, whole
3. Pencillin & dihydrostreptomycin in combination for human parenteral use
4. Queen bee jelly
5. Androgenic hormones affecting male libido; *e.g.* testosterone and its compounds.
6. Amphetamine products & their compounds.
7. Drugs containing any amount of amphetamine, dextroamphetamine, levoamphetamine, *d*-Methamphetamine, *dl*-Methamphetaine, Phenmetrazine, *d*-Desoxyephedrine, *dl*- Desoxyephedrine, and their salts.
8. Drugs containing any amount of DMT(dimethyltryptamine:, LSD-25. LSD (d-Lysergic acid deithylamide), Peyote, Psilocybin, (Psicocibin), Psilocyn (Psilocin).
9. Vaccines, antitoxins, and toxoids for human use.

1	2	3	4
		10. Drugs containing any amount of Dipyrone, Tharcetazone, or Bromoforms.	
		11. Pharmaceuticals in finished dosage form, except when procurement is made on a competitive basis by a Government Agency or its designated purchasing Agent.	
17		*Chemicals & chemical preparations (Excluding Alcohol, Fertilisers, Synthetic rubber, mechanical & toilet preparations)*	
	3901	Coal-Tar and other cyclical Chemical Products (Except Dyestuffs)	See Annexure XII
	3902	Chemical, specialities	
	3903	Pigments, Paints, and Varnishes	
	3904	Dyeing & Tanning Extracts	
	3905	Explosives, Fuses, & Blasting caps.	
	3906	Industrial chemicals (Except Alcohol)	
	3907	Carbon Black	See Annexure XII
	3908	Raw materials for Plastics.	
		Exception: The following items are not eligible:—	
		1. Military Gases	
		2. Drug flaborings not covered by USP or NF specifications.	
		3. Perfume materials	
		4. Rubber compounding chemicals, used as 'blowing agents' that are potentially explosive.	
		5. Silver Nitrate.	
		6. Chewing gum bases.	
		7. Pyrotechnical articles other than for scientific or industrial use.	
		8. Battery additives.	
		9. Conditioners for motor cooling systems.	
		10. Rust inihitors or preventatives.	
		11. Scaling compounds.	
		12. Manganese dioxide (except electrolytic 'Synthetic')	
		13. Crude Iodine.	
		14. Aluminium Oxide.	
		15. Vegetable tannin extract (in bags), chestnut, solid or powdered form, Quebracho, solid form Wattle, solid form.	
		NOTE: Sodium sulphate and Aluminium Oxide are not eligible for import except from U.S. stockpile. [Please see portion (b)]	
18	3911	***Soap Cosmetics, Detergents and Toilet preparations.*** Limited to soap, talcum powder, baby oils and dental preparations only.	

1	2	3	4
19	4809	*Leather and Leather products* (except footwear) *Exception*: Leather and Leather products, derived from hides and skins of other than domesticated-type animals are *not* eligible.	
20		*Yarns, thread and man-made textile fibres.*	
	5408	Man-made fibres and yarns.	
	5409	Other yarns and threads. *Exception*: Jute yarns are *not* eligible.	
21		*Textile fabrics*	
	5411 5419	Cotton fabrics Other textile fabrics. *Exception*: Textile fabrics (cloth) priced in excess of $2·00 per linear yard FAS and Jute fabrics are *not* eligible.	See Annexure XII
22	5428	*Miscellaneous textile products, not elsewhere classified.* *Exception*: The following items are *not* eligible:— 1. Jute manufactures. 2. Tapestries. 3. Laces 4. Embroideries 5. Home furnishings	
23		*Lumber and Lumber Manufactures.*	
	5701 5703 5709 5810	Logs, Bolts and Hewn Timber Rail road ties (Sleepers) Other Lumber and Manufactures Furniture. *Exception*: The following items are *not* eligible:— 1. Household furniture 2. Domestic and decorative articles of wood 3. Household utensils of wood	See Annexure XII
24		*Pulp paper and products (except newsprint)*	
	5911	Pulpwood.	
	5913	Wood Pulp	See Annexure XII
	5914	Other Pulp	
	5916	Corrugating Material of paper and paper board .	Do.
	5917	Kraft Paper and Kraft paperboard	Do.
	5918	Other paper and Products, not elsewhere classified. *Exceptions*: The following items are *not* eligible:— Table cloths, curtains, cocktail napkins, novelties, and other similar products.	
25	5921	*Newsprint*	
26		*Coal and related fuels.*	
	6101 6102 6103 6109	Anthracite Coal Bituminous Coal (Lignite, brown and European hard coal) Coke (except Petroleum Coke) Other (Briquettes and Charcoal)	See Annexure XII

1	2	3	4
27		*Petroleum Non-Fuels*	
	6211	Lubricants and Greases	See Annexure XII
	6212	Misc. Liquid Petroleum Products (including Additives for Lubricating and Fuel Oils)	
	6221	Petroleum Asphalt and other petroleum products.	
	6222	Paraffin and other petroleum wax.	
	6223	Petroleum Coke	
	6224	Petroleum and Petroleum Jelly *Exception* : Crude Petroleum asphalt and rust preventatives are *not* allowed.	
28	640	*Non-metallic minerals & Products* (example Sulphur Crude, Crusted refined etc.) *Exception*: The following items are *not* eligible:— 1. Industrial diamonds. 2. Diamonds, precious and semi-precious, synthetic and imitation stones. 3. Cement (except white) 4. Glass tumblers, goblets & Stemware. 5. Glass, porcelain or ceramic tableware, kitchenware, cookingware, householdware & ornamental articles 6. Asbestos fibres (except those grades of chrysotile asbestos produced in the U.S.) 7. Asbestos fibres (amosite chrysotile & crocidelite available from US Stockpile) [See portion (b)] 8. Bastanaesite 9. Celestile 16. Fluorspar (except those grades available from U.S. Stockpile) [See portion (b)] 11. Graphite (Domestic Lubricant and Malagasy flake) 12. Lithium hydroxide 14. Mica 14. Quartz Crystalls 15. Talc Steatite. NOTE: Certain special conditions apply to the import of sulphur. See Annexure XII.	
29	6509	*Non-ferrous ores and concentrates.* *Exception*: Only chromite, manganese ore, tungsten (ore and concentrates), Columbrium (contained in concentrates and vanadium are eligible for import. Further, *certain grades* of chromite and manganese ore and tungsten (ore and concentrates) columbrium (contained in concentrates) and vanadium are not eligible for import except from U.S. Stockpile [see portion (b)]. All other ores and concentrates are *not* eligible.	
30	6591	*Ferrous Scrap.*	

1	2	3	4
31		*Iron & Steel Mills products*	
	6601	Pig Iron	
	6602	Ferro Alloys.	
	6608	Tinplate, Terneplate and Tin Mill blackplate.	
	6611	Ingots and other primary forms.	
	6613	Bars and Rods.	
	6615	Plates, sheets, skelp, strip, etc.	
	6701	Railroad Track Materials.	
	6705	Wire and wire products.	
	6714	Tubes, pipes and fittings.	
	6715	Castings and forgings	
	6716	Car Wheels and axles	
	6719	Fabricated Iron & Steel products.	
		(NOTE: Secondary Iron & Steel Products including tinplate and *not* allowed. Further, special conditions in Annexure XII apply even to deliveries of primary quality.)	
		Exception: Ferronickel and ferromagnanese are *not* eligible.	
32	6899	*Miscellaneous metal manufacturers.*	
		Exception: The following are *not* eligible.:—	
		(*i*) Precious metals and products.	
		(*ii*) Nonbasic household accessories, e.g. chasing dishes, ashtrays, coasters, barbecue grills, carving sets, bird cages etc.	
		NOTE: Monazite, though listed under precious metals, is eligible if imported from U.S. Stockpile [See portion (b)].	
33	690	*Non-ferrous metals and products.*	
34		*Alumintum, including scrap*	
	6914	Ingots	
	6919	Other primary forms and basic shapes.	
35		*Copper, including scrap*	
	6925	Copper, refined	} See Annexure XII
	6929	Other primary forms and basic shapes.	
36	693	*Quicksilver or Mercury* eligible only if imported from U.S. Stockpile, See portion (b)	
37		*Lead including scrap.*	
	6949	Other primary forms and basic shapes. *Exception*: Lead unwrought is *not* eligible for import except from U.S. Stockpile. Please see portion (b).	
38		*Tin, including scrap*	
	6969	Other primary forms and basic shapes. *Exception*: Tin unwrought is *not* eligible for import except from U.S. Stockpile. Please see portion (b).	

1	2	3	4
39		*Zinc, including scrap.*	
	6979	Other primary forms and basic shapes. *Exception* : Zinc unwrought is *not* eligible for import except from U.S. Stockpile. Please see portion (b).	
40	6989	*Miscellaneous Industrial Non-ferrous Metals and their products.* *Exception* : Cobalt, Cathodes, granules and briquettes, Molybedenum & Titanium Sponge are *not* eligible for import except from U.S. Stockpile. Please see portion (b).	
40(a)	7109	Generators, Motors and parts.	
41	7207	*Electrical Apparatus and parts.* *Exception* :-The following items are not eligible:— Radio receivers in excess of $ 20·00 FAS each. Television receivers in excess of $ 150·00 FFAS each. Audio-surveillance equipments and devices. Electric household and personal appliances (e.g. fans, mixers, vacuum cleaners, polishers, can openers, tooth brushes, shavers, coffee makers, toasters, cooking and heating appliances, etc.	
42	7308	Engines, Turbines, and parts (including Tractors Engines) *Exception* : The following items are *not* eligible:— Outboard motors in excess of 20 horse power, OBC certified, and motors intended for sport or recreational uses.	
43	7408	Construction Mining, Conveying equipment, Attachments, Accessories and parts (including Industrial Tractors).	
44	7619	Mahalworking Machinery, Machine tools and parts.	
45	7708	Agricultural equipment & parts (excluding tractors).	
46	7781	Textile machinery, accessories & parts. *Exception*: The following items are *not* eligible:— Equipment for processing any non-food agricultural commodity in U.S. or world surplus, (Maintenance and spare parts for existing equipment are not ineligible).	
47	7791	*Food products machinery, equipment & parts.* *Exception* : The following items are *not* eligible:— Processing equipment for rice, wheat, citrus fruits, oilseed or diary products (Maintenance and spare parts for existing equipment are not ineligible).	
48		*Industrial Machinery, Accessories & parts (not elsewhere classified).*	
	7908	Office Machines, equipment and parts.	

1	2	3	4
	7909	Industrial Machinery, Accessories & parts, not elsewhere classified.	
		Exception : The following items are *not* eligible:— Soda fountain and beer dispensing equipment and Automobile Air Conditioners.	
49		*Motor Vehicles, Engines and Parts (excluding Military Types)*	
	8201	Trucks and Truck chassis	*See* Annexure XII
	8202	Passenger Automobiles & chassis (including station wagons)	
	8203	Motor Vehicle engines	
	8206	Motor Vehicle parts (except engines)	
	8209	Buses	
		Exception: The following items are *not* eligible:— Passenger automobiles and chassis (including station wagons) in excess of $2,400·00 FAS each.	
50	8221	*Cycles, Special purpose Vehicles and equipment*	
51		*Tractors (except Industrial Tractors)*	
	8331	Track laying Tractors	
	8332	Wheel, tractors, Garden tractors & Motor Tillers.	
52	8351	*Contractor's Off-the-road wheel Tractors.*	
53	8361	*Tractor parts & Accessories.*	
54	8409	*Aircraft Engines parts and Accessories, not elsewhere classified, instruments and ground handling equipment.*	
		Only spare and repair parts for aircraft used for agricultural spraying are eligible. All other items are ineligible.	
55		*Railroad Transportation Equipment & Parts*	
	8503	Passenger Cars	
	8504	Freight Cars	
	8509	Miscellaneous Railroad Transportation equipment parts & accessories.	
		Exception : Spares for diesel locomotives are *not* eligible.	
56		*Vessels & Equipment (excluding Military)*	
	8582	Passenger & Cargo vessels and tankers.	
	8583	Barges, Tugs and Towboats.	
	8584	Dredges.	
	8585	Miscellaneous Vessels, parts & accessories.	
		Exception: The following items are *not* eligible:— Vessels over 2,800 dead-weight tons Boats and craft for sport or recreational use.	

1	2	3	4
57	8801	*Scientific and professional instruments, Apparatus, supplies & parts.*	
		Exception : The following items are *not* eligibe:— Vinoculars Opera Glasses	
58	8802	*X-Ray Therapeutic Apparatus & accessories*	
59	8811	*Laboratory equipment and supplies*	
60		*Miscellaneous commodities, not elsewhere classified.*	
	8903	Ornaments, Antiques, accessories etc.	
	8904	Cork and Cork products.	
	8906	Photographic and Projection goods.	
	8907	Miscellaneous office supplies.	
	8908	Books, Maps, Pictures, and other printed matter	
	8909	Misc. commodities, not elsewhere classified.	
		Exception: The following items are *not* eligible:—	
		Musical instruments.	
		Furs & Manufactures Artificial flowers, jewellery & Antiques.	
		Toys & Games.	
		Exposed motion picture and slide films. Desk blotters, accessories & sets, Rare books, prints, and collectors' items books and periodicals primarily of prurient appeal. Comic books, fashion and sport magazines. Music books sheet music Photographic prints (except business & technical).	
		Picture post cards and greeting cards.	
		Bedsprings and mattresses for household use. Precious metals and precious metal alloys. Personal articles and accessories, *e.g.* handbags, key, chains, watches and parts therefor, manicure, articles, sun glasses, umbrellas, suitcases, briefcases, trunks, etc. Non-basic household items *e.g.* chandeliers, candelabras, candelsticks, picture frames, figurins, swizzel sticks, etc. Dishwashing machines (household type). Jute manufactures, Raw cork and corkboard.	
61		*Rubber & Rubber Products*	
	8911	Crude rubber and allied gums	See Annexure XII
	8912	Synthetic an I reclaimed rubber and rubber scrap	
	8913	Tyres, Tubes & Repair materials	
	8914	Miscellaneous Rubber products.	
		Exception: The following items are *not* eligible:—	
		Tyres, white sidewall.	
		Chewing gum bases. Crude rubber Grade I and allied gums.	
		NOTE: Crude rubber is not eligible for import except from U.S. Stockpile. Please see portion (b).	

1	2	3	4

GENERAL

1. Secondhand/Rebuild/Reconditioned items will not be allowed for import. Rebuilt or reconditioned automobile spare parts are eligible under special condition indicated in Annexure XII, if the licence is specifically endorsed to permit import of rebuilt or reconditioned automobile spare parts.

2. The following items are either unclassified by AID Commodity Codes or fall within so many Codes as to make individual listing by Code too reptitious, but are ineligible for AID financing:—

1. Pets, pet goods and supplies.
2. Rugs, Carpets and household furniture.
3. Audio-Surveillance equipment and devices (such as microphones, radios, listening devices and recording devices of micro-miniature design) and components thereof.
4. Precious metals, alloys and Chemical Compositions products manufactures and end-products thereof.
5. Items enhanced in value due to rarity, age etc.

(b) *List of items eligible only when purchased from U. S. Stockpile.*—The following items are eligible for import only if purchased from U. S. Stockpile. There is a special procedure governing their import. The procedure involves obtaining of a procurement authorisation (Known as PA/PR) from AID, Washington authorising purchase of an item for a specific value from U. S. Stockpile controlled by the General Services Administration, Washington. Purchase will be possible only if the total value of imports is sufficiently large. When the value of import permitted to an individual unit is small, purchase from U. S. Stockpile will not be possible unless there are simultaneously other units requiring the item and the total value of import is sizeable. Further for each item purchasable from U. S. Stockpile, there is a minimum quantity stipulated (indicated below against each item), below which limit no order will be entertained by the U. S. Stockpile authorities. Consequently, if the certified requirement of an individual unit falls below this limit, issuance of a licence will not be possible. Under this procedure issuance of Notice to U. S. Business, remittance of foreign exchange, opening of letters of credit and other terms and conditions laid down in this Public Notice will not apply.

2. All enquiries regarding quality, grade, chemical compositions etc. of the items listed below, or any other clarification concerning the special procedure applicable may be addressed to the Ministry of Industrial Development and Company Affairs, Department of Industrial Development (AID Section), New Delhi.

AID Commodity Code	Description	Minimum Order Quantity
1	2	3
3906	*Industrial Chemicals*	
	Aluminium Oxide	1,000 tons.
	Sodium Sulphate	1 drum (700—750 lbs.)

1	2	3
6409	*Other Non-metallic Minerals & Products*	
	Asbestos Fibers	25 tons.
	Amosite	
	Chrysotile	
	Crocidolite	
	Flourspar, Acid Grade. . . .	1,000 tons.
6509	*Non-ferrous Ores and Concentrates*	
	Chromite, Chemical	1,000 tons.
	Chromite, Metallurgical . . .	Approx. 1,000 tons.
	Columbium (contained in concentrates) .	25 tons.
	Manganese Ore (55 gal. drums) . .	25 tons.
	Manganese Ore	Approx. 1,000 tons.
	Tungsten (Ore & concentrates) . .	50,000 pounds.
	Vanadium (v2·5)	1 lot (25 tons).
6898	*Precious Metals and Products*	
	Monazite (Although listed under AID precious metals code, this rare earth is eligible for AID financing)	1 drum (approx. 1,000 lbs.)
6939	*Quicksilver or Mercury*	25 flasks (approx. 76 lbs. per flask)
6944	*Lead, Unwrought*	50 tons.
6964	*Tine, Unwrought*	16 long tons.
6974	*Zinc, Unwrought*	50 tons.
	Special High grade	
	High grade	
	Prime Western	
	Intermediate	
	Brass special	
	Selected grade	
6989	*Miscellaneous Industrial Non-ferrous Metals and their Products*	
	Cobalt	Approx. 50,000 pounds
	Cathodes, granules, & briquettes	
	Molybdenum (though not a U.S. net import item—currently available from Stockpile)	Approx. 50,000 pound
	Titanium Sponge	50,000 pounds
8911	*Crude Rubber and Allied Gums*	
	Rubber (standard bales) . . .	Approx. 100 long tons

ANNEXURE – II

AID 282 (1-1-67)

INVOICE-AND-CONTRACT-ABSTRACT

(See Instructions on Other Side)

FOR A.I.D. USE ONLY

1. COMMODITY SUPPLIER'S NAME AND ADDRESS

2. IMPORTER'S NAME & ADDRESS

3. VESSEL

4. FLAG

5. PORT OF EXIT

COMMODITY INFORMATION

6. SCHEDULE "B" NO. AND DESCRIPTION OF COMMODI

7. MEASURE-MENT

8. GROSS WEIGHT

9. INVOICE AMT. AFTER DISCOUNT

10. SOURCE (Country)

11. A.I.D. COMMODIT

12. A.I.D. NUMBER

13. OPENING BANK LTR. CR. NO.

14. IMPORT LICENSE NO.

15. INVOICE DATE

IPPING TERMS

17. QUANTITY

18. UNIT

19. UNIT PRICE

20. CONTRACT DATE

21. SPECIFY HERE ITEMS AND AMOUNTS THAT WILL ACCOUNT FOR AN

ERENCES BETWEEN CONTRACT AND INVOICE PRICES

22. TOTAL CONTRACT AMOUNT

TRANSPORTATION INFORMATION

23. VESSEL TYPE — ☐ BULK ☐ BERTH ☐ TNKR. ☐ AIR

24. FREIGHT RATE

OTHER

25. B/L NUMBER

26. B/L DATE

TOTAL

INSURANCE INFORMATION

URANCE PREMIUM ON THIS SHIPMENT (If over $50)

MENTS, AND SIDE PAYMENTS

INFORMATION AS TO COMMISSIONS, CREDITS, ALLOWANCES, SIMILA

28. NAME OF RECIPIENTS

29. ADDRESSES

30. AMOUNT PAID OR TO BE PAID

INCLUDED IN INVOICE	NOT INCLUDED IN INV.

If certification on other side is made by carrier or insurer, type or print name and address of company: ▶

Carrier ☐

Insurer ☐

Type or print name and title of official authorized to sign on the other side:

Place Executed (City, State, Country)

AID 282 (1-1-67)

SUPPLIER'S CERTIFICATE AND AGREEMENT WITH THE AGENCY FOR INTERNATIONAL DEVELOPMENT

The supplier hereby acknowledges notice that the sum indicated on the accompanying invoice as claimed to be due and owing under the terms of the contract described on the reverse hereof (hereafter referred to as "said contract") is to be paid, in whole or in part, out of funds made available by the United States under the Foreign Assistance Act of 1961, as amended, and that such payment is subject to Regulation 1 of the Agency for International Development (A.I.D.), as in effect on the date hereof (22 CFR Part 201). In consideration of the receipt of such sum, the supplier agrees with and certifies to A.I.D. as follows:

1. The undersigned is the supplier of the commodities or commodity-related services indicated in the Invoice-and-Contract Abstract on the reverse hereof, is entitled under said contract to the payment of the sum claimed, and is executing this Certificate and Agreement for the purpose of obtaining such payment from funds made available by the United States as described above.

2. The supplier will, upon the request of A.I.D., promptly make refund to A.I.D. of any amount by which the purchase price exceeds the maximum price permitted under the provisions of subpart G of A.I.D. Regulation 1 other than § 201.62(a).

3. The supplier will, upon the request of A.I.D., promptly make appropriate refund to A.I.D. in the event of

(a) his nonperformance, in whole or in part, under said contract, or

(b) any breach by him of any of his undertakings in this Certificate and Agreement, or

(c) any false certification or representation made by him in this Certificate and Agreement or in the Invoice-and-Contract Abstract on the reverse hereof in regard to the transaction indicated therein.

4. The supplier will promptly pay to A.I.D. (Office of the Controller, A.I.D., Washington, D.C., 20523) any adjustment refunds, credits, or allowances payable to or for the account of the importer arising out of the terms of the said contract or the customs of the trade.

5. On the basis of information from such sources as are available to the supplier and to the best of his information and belief, any commodity supplied under said contract meets the requirements of § 201.11(b) of A.I.D. Regulation 1 as to source, country where mined, grown, or produced, and limitation on components.

6. The supplier or his agent has not compensated any person to obtain said contract except to the extent, if any, indicated on the reverse hereof.

7. The supplier or his agent has not given or received and will not give or receive side payments, "kickbacks", or any other payment or benefit whatever in connection with said transaction or any series of transactions of which said transaction is a part, other than those payments or benefits referred to in paragraphs 1 and 4 and indicated on the reverse hereof. Any commissions paid or to be paid in connection with said transaction are shown on the reverse hereof in blocks 28 and 29.

8. If the s[upplier] commodity, said[contract] r is the producer, manufacturer or processor of the act is not a cost-plus-percentage-of-cost contract.

9. On the the supplier and is not higher tha ments of subpar other than § 201. of information from such sources as are available to best of his information and belief, the purchase price maximum price permitted under each of the requirements of A.I.D. Regulation 1, relating to maximum prices

10. The an credits, allowanc plier or his age discounts and p tomarily allowed shown on the reverse hereof in block 9 is net of all discounts granted and payments made, by the supplier or for the account of the importer, including all s for quantity purchases and prompt payment customers under similar circumstances.

11. The su the date hereof bear on his co herein and will documents availa will for a period of not less than five (5) years after in all business records and other documents which ce with any of the undertakings and certifications time requested by A.I.D. make such records and A.I.D. for examination.

12. The su referred to in sub informed by A.I. view proposed a the supplier has results of such ments specified i has complied with the provisions contained and re- of A.I.D. Regulation 1. If the supplier has been a requirement for submitting to A.I.D. for prior re- be financed through funds made available by A.I.D., such submission, has been notified by A.I.D. of the and has complied with all conditions and requirements notification.

13. The su and-Contract Ab the information s furnish to A.I.D request concerni modities and/or data, or busines undertakings and has filled in the applicable portions of the Invoice- on the reverse hereof, certifies to the correctness of therein, and will upon the request of A.I.D. promptly additional information in such form as A.I.D. may purchase price, the cost to the supplier of the commodity-related services involved, or any other facts, ~~relating to the supplier's compliance with his~~ cations in this Supplier's Certificate and Agreement.

14. The ag tract made unde be governed by t incorporated herein shall be deemed to be a con- laws of the District of Columbia, U.S.A., and shall nstrued in accordance with such laws.

Signature of Off[icial] Commodity suppl[ier] uthorized to sign for (Check one): ☐; Carrier ☐; Insurer ☐ Date

NOTES: (a) *mendments of, or additions to, the printed provisions of this Supplier's ficate and Agreement are improper and will not be considered a pa of.* (b) *False statements herein are punishable by United States la The word "Copy" must be written after signature on all signed cop her than the original.*

AID 282 (1-1-67)

INSTRUCTIONS

THIS FORM MUST BE COMPLETED IN THE ENGLIS NGUAGE ONLY
AND ALL AMOUNTS OF MONEY ARE TO BE SHOW U. S. DOLLARS

GENERAL. *Execution of Form.* This form is designed for use with the Standard Export format. An original and two copies of this form, completed by the following, as appropriate, must accompany each invoice for which payment is requested: (a) Commodity—executed by the supplier of the commodity covering the cost of the commodity, including the cost of any commodity-related service-paid by the supplier for his own or the buyer's account; (b) Transportation—executed by each carrier who is separately paid for ocean and air freight to be financed by A.I.D.; (c) Insurance—executed by the insurer, insurance broker, or underwriter for the cost of marine insuran e to be financed by A.I.D. when such cost exceeds $50. The original must be signed hy an authorized official of the supplier, who shall indicate his title thereon. Unless otherwise specified below, all numbered blocks MUST be appropriately completed or the letters "NA" (not applicable) entered.

OBTAINING FORMS. The forms (as well as copies of A.I.D. Regulation 1 referred to in this form) may be obtained in limited quantities from banks holding A.I.D. letters of commitment, field offices of the Department of Commerce, or the Distribution Branch, Agency for International Development, Washington, D.C. 20523. Forms may be reproduced provided the reproduction is identical in content, size, color, and format.

INVOICE & CONTRACT ABSTRACT—BLOCK 1: Enter the commodity supplier's name and address. **BLOCK 2:** Enter the importer's name and address. Caution: On other documents in the Standard Export format, such as the Bill of Lading, the corresponding block may call for the name and address of the party to whom the carrier is to give notice of arrival. When such party is not the importer, be sure to enter the import s name and address instead. **BLOCK 3:** Enter name of vessel. **BLOCK 4:** . ater flag of registry. **BLOCK 5:** Enter port shown on Bill of Lading. **BLOCK 6:** Insert the written description of each commodity, preceded by its appropriate U. S. Department of Commerce Schedule B number or numbers. On Shipments *not* from the United States, these numbers should be inserted if known. For multi-item invoices, insert the descriptive words commonly employed within the trade and the appropriate Schedule B number(s). **BLOCK 7:** Show the Bill of Lading measurement. **BLOCK 8:** Show the Bill of Lading weight. **BLOCK 9:** The amount shown is the net amount for which the supplier seeks payment. It must not include any credit, discount, commissions, or allowance to or for the account of the importer or his agent. Commissions paid or to be paid in connection with the transaction covered by this form to agents of supplier which are included in the amount shown in block 9 must be detailed in blocks 28 through 30. **BLOCK 10:** Show the country of source as defined in §201.01 of A.I.D. Regulation 1. **BLOCK 11:** Insert the A.I.D. 3- or 4-digit commodity code numbers, if known. **BLOCK 12:** Insert A.I.D. implementing document number furnished in the letter of credit or importer's instructions. **BLOCKS 13 and 14:** When an impor[t] in block 14; oth[er] signed by the **BLOCK 15:** In[coterms] terms, i.e., if a [sale] or "CIF (or C[&F])[,]" portation, show [the] commodity invoi[ce] cient room, as in[dicated] furnished (a) on[the] an additional co[ntinuation] instances, appro[priate] as to the method listing". **BLOCK** explain any diffe[rence] stated in the con[tract] tion of, or addi[tional] form. **BLOCK 2** TRANSPOR[TATION] ION INFORMATION—Block 23: Check appropriate vessel type ock 24: Enter as per tariff the appropriate freight rate, other freight cha and total dollar amount of freight charges after discount. Block 25 ter the Bill of Lading number. Block 26: Enter the Bill of Lading da

INSURANC[E] NFORMATION—BLOCK 27: Self-explanatory.

INFORMAT[ION] AS TO COMMISSIONS, CREDITS, ALLOWANCES, SIMIL[AR] PAYMENTS, AND SIDE PAYMENTS—BLOCKS 28 THROUGH 30: Enter in these blocks pertinent information with reference to (a) all p[ay]ments, credits, commissions, and similar allowances paid or to be paid by supplier to or for the benefit of his agent, the importer, or the importer's ent as required by §201.65(h) of A.I.D. Regulation 1, and (b) any side ments, not shown on the invoice, made or to be made by the importer the supplier, in connection with the transaction, as required by §201.6 of A.I.D Regulation 1. In block 30 indicate whether or not the amou included in the invoice amount reported in block 9 by entering the ant of each payment opposite the related entry in the appropriate colu "Included in Invoice" or "Not Included in Invoice". If there is insuff room to furnish the information required in blocks 28 through 30, blocks may be noted "Continued" or "See attached listing" and the uired information shown in block 21 or furnished on a listing attached the form. If no commissions, credits, allowances, similar payments, aside payments are involved, insert "NONE" in block 28. *Contracts* need be submitted to A.I.D. unless specifically requested. In the case of oceanright, however, charter parties, if any, are to be included in the reimbursem[ent] documents.

A.I.D. 283 (1-16-67)

ANNEXURE IIA

Certifications to A.I.D. and request to opening bank.

NO COMMISSION OR SERVICE PAYMENTS

CERTIFICATION A:	The undersigned certifies on behalf of the supplier that in connection with the sale described on the accompanying Invoice-and-Contract Abstract no commission and no service payment has been paid or is payable either in dollars or in local currency.

DOLLAR COMMISSION TO A SALES AGENT

	The undersigned certifies on behalf of the supplier that a dollar commission has been paid or is payable in the amount indicated on the accompanying A.I.D. Invoice and Contract Abstract to a sales agent: AND—
CERTIFICATION B:	That no part of the services relating to the commission were performed by the sales agent outside the United States: and that the sales agent maintains a regular place of business in the United States: OR—
CERTIFICATION C:	That the sales agent whose services relate to the commission is a U.S. firms and that any officer employee partner, or association member of such U.S. firm who has performed outside the United States any part of the services relating to the commission is both a citizen and resident of the United States.

DOLLAR COMMISSION TO A COMMISSION EMPLOYEE

	The undersigned certifies on behalf of the supplier that a dollar commission has been paid or is payable in the amount indicated on the accompanying A.I.D. Invoice-and-Contract Abstract to a commission employee: AND—
CERTIFICATION D:	That no part of the services relating to the commission were performed by the commission employee outside the United States: OR—
CERTIFICATION E:	That the commission employee who has performed outside the United States any part of the service relating to the commission is both a citizen and resident of the United States.

DOLLAR SERVICE PAYMENTS

CERTIFICATION F:	The undersigned certifies on behalf of the supplier that a service payment has been paid or is payable in dollars in the amount indicated on the accompanying A.I.D. Invoice-and-Contract Abstract and that such amount has neither been paid nor is payable to a local service Organization.

LOCAL CURRENCY COMMISSION OR SERVICE PAYMENT BY IMPORTER

CERTIFICATION G: The undersigned certifies on behalf of the supplier that a commission or service payment has been paid or is payable by the importer for account of the supplier directly to the sales agent, commission employees, or local service organisation in the amount indicated on the accompanying A.I.D. Invoice-and Contract Abstract and that the amount of the commission or service payment, expressed in dollars, has been subtracted from the invoice amount for which the supplier is claiming A.I.D. financing.

LOCAL CURRENCY COMMISSION OR SERVICE PAYMENT BY OPENING BANK

CERTIFICATION H: The undersigned certifies on behalf of the supplier that a commission or service payment is payable in local currency in the amount indicated on the accompanying A.I.D. Invoice-and-Contract Abstract; that the amount of the commission or service payment, expressed in dollars, has been subtracted from the invoice amount for which the supplier is claiming A.I.D. financing; and that the supplier will make no commission or service payment in any other manner in connection with the transaction described on the accompanying A.I.D. Invoice-and-Contract Abstract. REQUEST TO OPENING BANK: The opening bank, in accordance with the procedure outlined in paragraph (e) of s. 201·65 of A.I.D. Regulation I and instructions issued by the central banking authority of the government of the cooperating country, is requested by the undersigned to pay on behalf of the supplier, on the basis of the information provided on line 3 of this form and on the supplier's invoice, a local currency equivalent (based upon the official exchange rate) of the amount indicated in dollars to the sales agent commission employee, or local service organization.

3. COMMISSION AND SERVICE PAYMENT INFORMATION:

a. Name of

—sales agent———

—commission employee———

—local service organization———

b. Address of sales agent, commission employee, or local service organization———

c. Gross invoice amount———

d. Commission or service payment (expressed in dollars) payable by opening bank in local currency———

e. Net invoice amount to be paid to supplier with A.I.D. dollars (line c minus line d)———

CERTIFICATION I:
(For Suppliers to Vietnam)

The undersigned certifies on behalf of the supplier that a commission or service payment is payable to the sales agent, commission employee, or local service organization whose name and address appear on line 3 of this form; that to discharge his obligation the supplier has secured a bank draft payable to the opening bank on behalf of the sales agent, commission employee, or local service organization and has placed such bank draft along with a signed, executed copy of this form in a sealed envelope marked on the outside with the name of the opening bank; and that the supplier, without the prior approval of AID will make no commission or service payment in any other manner in connection with the transaction described on the accompanying A.I.D. Invoice-and-Contract Abstract.

REQUEST TO OPENING BANK: By executing this Certification I the undersigned, acting on behalf of the supplier, hereby request the opening bank, in accordance with the procedure outlined in paragraph (f) of s. 201·65 of A.I.D. Regulation I and in regulations issued by the National Bank of Vietnam, to convert the dollar amount covered by the accompanying bank draft into a local currency equivalent (based upon the official exchange rate) and to pay, on behalf of the supplier the resulting sum to the sales agent commission employee, or local service organization on the basis of the information provided on line 3 of this form.

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4. The undersigned has checked block letter(s)————————and has thereby subscribed to the contents of the certification(s) set forth therein as a condition for receiving payment from funds authorized under the Foreign Assistance Act of 1961, as amended, for the sale described on the accompanying Invoice-and-Contract Abstract. The undersigned represents that, except as certified in the block(s) which he has checked on this form, no commission or service payment either in dollars or in local currency has been paid or is payable to a sales agent, commission employee, or local service organization in connection with the sale described on the accompanying Invoice-and-Contract Abstract. The undersigned acknowledges that the supplier will, upon request of the Administrator of A.I.D. promptly refund to A.I.D. in dollars any sum which the supplier has paid over in violation of any certification which he has made on this form. The supplier also acknowledges that false certification may bring about the application of penalties provided by Title 18 and Title 31 of the United States Code.

Signature————————————Name of supplier
(name of firm)

Position in firm————————————Date ————————

CERTIFICATE AND AGREEMENT WITH THE AGENCY FOR INTERNATIONAL DEVELOPMENT CONCERNING COMMISSION AND SERVICE PAYMENTS ASSOCIATED WITH COMMODITY, SALES FINANCED WITH FOREIGN ASSISTANCE FUNDS

A.I.D.

LIMITATION A.I.D. FINANCING: Paragraph (b), (c) and (d) or s. 201·65 of A..D. Regulation 1 (22 C.E.R. s. 201·65) provide as follows:

"(b) Commission to sales agents. Unless otherwise authorized by A.I.D., a commission paid or payable by a supplier to or for the benefit of a sales agent in connection with any sale subject to this Part 201 shall be eligible for A.I.D. financing only if—

(1) the sales agent performed no part of the services relating to the commission outside the United States, and the sales agent maintains a regular place of business in the United States; or

(2) the sales agent whose services relate to the commission is a U.S. firm, and any officer, employee, partner or association member of the sales agent who has performed outside the United States any part of the services relating to the commission is both a citizen and resident of the United States.

"(c) Commission to commission employees. Unless otherwise authorized by A.I.D., a commission paid or payable by a supplier to or for the benefit of a commission employee in connection with any sale subject to this Part 201 shall be eligible for A.I.D. financing only if—

(1) the commission employee performed no part of the services relating to the commission outside the United States; or

(2) the commission employee whose services relate to the commission is both a citizen and resident of the United States.

"(d) Service payments—Unless otherwise authorised by A.I.D., a service payment in connection with any sale subject to this Part 201 will not be eligible for A.I.D. financing if any portion thereof has been paid or is payable by the supplier to or for the benefit of a local service organization.

Instructions.—As a condition for receiving payment from Foreign Assistance Funds, the supplier is required to check one or more of the certifications which appear as separate blocks on the reverse of this form and which apply to his transaction. The supplier shall indicate on line 4 the letter of the certification(s) to which he subscribes. If the supplier checks the block for certifications, A, H, or I, he may check no other certification. A supplier who executes Certification H will also thereby request the opening bank to pay a commission or to make a service payment in local currency in accordance with the procedure described in paragraph (e) of s. 201·65 of A.I.D. Regulation 1. By executing Certification I, a supplier to Vietnam will also thereby request the opening Bank to pay a commission or to make a service payment in local currency in accordance with the procedure described in paragraph (f) of s. 201.65 of A.I.D. Regulation 1. As appropriate, the supplier may check one or more of Certifications B, C, D, E, F, or G.

On line 1 below the supplier shall insert the serial or other number which he has assigned to the invoice which he submits to his bank as the basis for receiving payment. On line 2 the supplier shall insert the A.I.D. identification number of the implementing document.

Definitions.—As used on this form "commission" means any payment or allowance by a supplier to any person for the contribution which that person has made to securing the sale for the supplier or which that person makes to securing on a continuing basis similar sales for the supplier; "commission employee" means any employee or officer of the supplier who has contributed to securing the sale and who is paid a salary which is directly or indirectly calculated as, or related to, a percentage of the amount of the sale; "Invoice-and-Contract Abstract" means the reverse side of A.I.D. Form 282 (which appears as Appendix A to A.I.D. Regulation 1, 22 C.F.R. Part 201) or A.I.D. Form 18—24; "local currency" means the currency of the cooperating country; "local service organization" means any person who in the cooperating country performs services in connection with the A.I.D. financed commodities; "opening bank" means the bank which has opened the letter of credit in the cooperating country in favour of the supplier; "regular place of business" means a permanent business establishment such as an office, sales outlet, or other fixed place of business, but does not include a mere postal address or box number or any casual or temporary use of facilities for the sole or principal purpose of rendering a commission eligible for A.I.D. financing; "resident of the United States" means any natural person who maintains a permanent household in the United States, who pays or who is subject to the income tax requirements, if any, of the state in which he maintains his household; and who is physically present for at least 60 days of the year in the United States; "sales agent" means any person who is neither the importer nor a commission employee and who has contributed to securing the sale or to securing similar sales on a continuing basis for the supplier; "service payment" means with respect to service performed in connection with the A.I.D. financed commodities any payment or allowance by the supplier to any person, whether or not a sales agent, but not including a commission, payment or allowance for incidental or delivery services, or a salary payment to any officer or employee of the supplier; "state" means the District of Columbia, Puerto Rico, or any state, territory or possession of the United States; "U.S. firm" means (1) a corporation which has been organised under the laws of

any state of the United States, which maintain a regular place of business in the United States, and which is at least 51 per cent beneficially owned by citizens of the United States or U.S. firms or both; or (2) a sole proprietorship in which the sole proprietor is both a citizen and resident of the United States; or (3) a partnership or association in which the majority of partners or association members are both citizens and residents of the United States.

1. INVOICE NO.————————————————

2. A.I.D. NO.————————————————

ANNEXURE II B

Certificate and Agreement Regarding Concerted Pricing
(A.I.D. Form 285).

In consideration of the receipt of funds made available by the United States under the Foreign Assistance Act of 1961, as amended, in payment, in whole or in part, of the sum indicated on the accompanying invoice as claimed to be due and owing, the undersigned, acting on behalf of the firm whose name appears on line 6 below (the supplier or the producer of the commodities) and authorized to bind such firm, agrees with and certifies to the Agency for International Development (A.I.D.) as follows:

(1) The firm whose name appears on line 6 below:—

[ ] (*a*) Is the A.I.D. financed supplier, but is not the producer of the goods described by the attached invoice which the supplier has executed.

[ ] (*b*) Is the A.I.D. financed supplier and is also the producer of the goods described by the attached invoice which the supplier has executed.

[ ] (*c*) Is not the A.I.D. financed supplier, but is the producer of the goods described by the attached invoice which the producer has executed.

[Check the appropriate box above]

(2) The price and quantity terms of the sale described by the attached invoice have been arrived at independently by the firm on whose behalf this Certificate is executed, without consultation or agreement, direct or indirect, concerning any matter relating to such price or quantity with any other bidder, offer or, competitor, or any member of an Export Trade Association (an Association within the meaning of 15 U.S.C. §61—65), and without reliance upon any price established or recommended by any such Association.

(3) If the undersigned has checked box (1)(a) of this Certificate he has also appended an invoice executed by the producer of the commodities described in the supplier's invoice and a Certificate and Agreement Regarding Concerted Pricing (A.I.D. Form 285) executed by the producer of such commodities.

(4) Invoice No.————————————————

(5) A.I.D. No.————————————————

(6) Name of firm————————————————

(7) Name of undersigned and position in firm————————————————

(8) Signature————————————(9) Date————

Instructions:—"Firm" means the supplier or producer on whose behalf this Certificate and Agreement Regarding Concerted Pricing is executed. The supplier of the commodity shall execute this Certificate in every case in which he is required to do so as condition for receiving payment. If the supplier indicates in box (1)(a) that he is not also the producer of the commodities (through manufacture, processing, mining, growth, or assembly), he shall attach to his invoice the invoice of the producer (covering the same commodities as described in the

supplier's invoice) and an additional Certificate and Agreement Regarding Concerted Pricing (A.I.D. Form 285) executed by the producer of the commodities. On line 4, the supplier or the producer shall insert the serial number or other number which he has assigned to his invoice. On line 5 the supplier or the producer shall insert the A.I.D. implementation number which identifies the transaction.

A.I.D. 285 (1-1-67)

ANNEXURE II-C

Application for Approval of Commodity Eligibility
A.I.D. II(Temporary) (5-1-68)

TRANSACTION IDENTIFICATION

1. I.D. Authorisation No.	2. Letter of Credit or other payment terms			
	No.	Date	Name and Address of U. S. Bank	Other Payment Terms
3. Contract Amount	4. Supplier's Relationship to United States.			
	____ Incorporated in United States	____ Individual: U.S. Citizen or U.S. Resident	____ Controlled Foreign Corporation	
5. Supplier's Name and Address.		6. Importer's Name and Address.		

COMMODITY IDENTIFICATION

7. Schedule B Code(s)	8. Complete Description of Commodity, Including Brand Name	9. Unit Price FAS/FOB (Named Part of Loading)	
10. Source Country	11. Commodity includes Components from Other than Source Country. ____ Yes ____ No	12. If Block 11 is "Yes"	
		Country Name(s)	Cost per Unit of Non-Source Country Components

13. Name and Address of Producer(s) and Amount (Estimated) Paid to Each Producer

SUPPLIER'S CERTIFICATIONS

As a condition for securing a determination of commodity eligibility preparatory to the receipt by the supplier of funds made available by the United States under the Foreign Assistance Act of 1961, as amended, in payment in whole or

in part in the transaction described and for the commodity identified on this form, the undersigned acting on behalf of the supplier whose name appears in block 5 above and authorized to bind the supplies, agrees with and certifies to A.I.D. as follows:

1. The supplier is beneficiary of a letter of credit covering the transaction described on this form or has with the importer whose name appears in block 6 a contract which provides for payment terms other than by letter of credit and which advises that the sale will be financed from A.I.D. funds.

2. The supplier has filled in the applicable portions of this form and certifies to the correctness of the information shown herein.

3. The supplier agrees that the commodity will be shipped and invoiced in accordance with the information shown herein, that if any change in commodity identification takes place after A.I.D. has approved this transaction, the supplier will resubmit this form to A.I.D. for review and further approval for financing in light of the changed conditions of the sale; and that this Commodity Approval Application, which the supplier proposes to use as a basis for securing payment from A.I.D. funds, is in every respect the original application approved by A.I.D. The supplier acknowledges that any item, other than an item described on this form by the supplier and approved by A.I.D. below, is ineligible for A.I.D. financing with respect to the sale transaction for which this form must be submitted as a condition for payment.

4. The supplier certifies that the commodity is new or, if not new, that the condition classification has been entered in block 15 on the reverse of this form.

5. The supplier certifies that the commodity is of first quality or, if other than first quality, that the quality is entered in block 15 on the reverse of this form.

6. With respect to any commodity which the supplier proposes to furnish from the United States, the supplier certifies that he is an individual, resident in the United States; a non-resident citizen of the United States; a corporation or partnership organized under the laws of the United States; or a controlled foreign corporation (within the meaning of §957 *et seq* of the Internal Revenue Code as attested by current information on file with the Internal Revenue Service of the United States (on IRS Form 959, 2952, 3646, or any substitute or successor forms) submitted by shareholders of the corporation. If the supplier is a controlled foreign corporation without a regular place of business in the United States the supplier appoints any, shareholder or officer thereof agent for the supplier to receive service of process in the United States in connection with any dispute arising between the supplier and A.I.D. and relating to the commodity sale financed by A.I.D.

7. The supplier has not received notice directly by mail or indirectly by publication in the Federal Register or otherwise that A.I.D. has suspended or debarred him pursuant to A.I.D. Regulation 8 (22 CFR Part 208) from eligibility to receive A.I.D. funds.

Typed or Printed Name and Title	Signature of Authorised Representative of Supplier	Date

A.I.D. APPROVAL.

By the signature and seal which appear below, A.I.D. has given limited approval to the sale described on this form. This approval is limited strictly to a determination that the commodity which the supplier has described is of a description, condition, and source eligible for A.I.D. financing. This aproval and determination of commodity eligibility does not represent an approval of the sale price and does not in any way preclude an A.I.D. refund claim based upon a detailed analysis of the transaction upon post-audit in accordance with the provisions of A.I.D. Regulation 1 (22 CFR Part 201). A.I.D. expressly reserves to itself such rights as it may have under that Regulation and under such other A.I.D forms as the supplier may be required to submit by the terms of financing documents and by the terms of Regulation 1.

APPROVED FOR A.I.D.

Date | Authorised Signature

14. Continuation of Block 7, 8 and 9 Schedule B Code (s)	Complete Description of Commodity, Including Brand Name	Unit Price FAS/FOB (Named Port of Loading)
(a)		
(b)		
(c)		
(d)		
(e)		
(f)		
(g)		
(h)		

15. Remarks and Additional information.

FOR A.I.D. USE ONLY

MAIL FORM (IN DUPLICATE) TO:
Agency for International Development
Office of the Controller
Financial Review Division
Commodity Eligibility Review Branch
Washington, D.C. 20523.

INSTRUCTIONS:

General.—Section 201.11(k) of A.I.D. Regulation 1 declares that as a condition for A.I.D. financing for a commodity sale transaction, A.I.D. must make, in writing, a determination of commodity eligibility on the Commodity Approval Application. Section 201·52(a)(10) of the Regulation states that to secure payment in connection with any sale governed by the Regulation, a supplier must submit to the paying bank one copy of this form, countersigned by A.I.D. A supplier should submit to A.I.D., for prior approval an original and one copy for each request for payment which he proposes to submit to the paying bank. A.I.D. will approve this form, if the form is properly executed by the supplier and if A.I.D., has no objection to financing the commodity which the supplier has described. If A.I.D. refuses to give its approval, the Agency will return the form with an explanation for the refusal.

Obtaining Forms.—Forms may be obtained in limited quantities from banks holding A.I.D., letters of commitment, field offices of the Department of Commerce, or the Distribution Branch. Agency for International Development, Washington, D.C. 20523. Forms may be reproduced provided the reproduction is identical in content, size color and format. Forms may also be overprinted with the supplier's name and address (block 5).

Completing Forms.—Transaction Identification—Block 1: Enter the number of the A.I.D. authorising document. This number will appear on the letter of credit. It should also appear in the purchase order from the importer or other contract document. Block 2: Enter the letter of credit number, date, and the name of the confirming or advising U.S. Bank. If the transaction is not financed by letter of credit, enter the applicable term of payment, *e.g.* sight draft collection or open

account. Block 3: Enter in this block the total remuneration which is to be received for the sale of goods. If part of the remuneration is to be made by a person other than A.I.D. (such as the importer), state separately the contract amount to be financed from A.I.D., funds and he additional amount to be paid from other sources. If payment from non-A.I.D., funds is to be made in a non-dollar currency, indicate the currency. A payment by the importer in local currency to the supplier's local agent is to be considered part of the remuneration received by the supplier for the sale of the commodity. Block 4: Check the appropriate box to indicate the relationship of the suplier to the United States. This information is relevant to supplier's certification 6. If "Other" box is checked, furnish explantation of relationship in block 15 on the reverse of this form. Block 5 and 6: If the supplier is shipping commodities of U.S. source and does not have a regular place of business in the United States, he must indicate a U.S. payment address. In completing block 5, care should be taken to centre the information in order to permit use of window envelopes in returning forms to the supplier. (Note similar arrangements made for supplier's use of preprinted A.I.D. address on the reverse of the form).

Commodity Identification.—Blocks 7 and 8: Enter the U. S. Department of Commerce Schedule B7—digit code(s) and describe the commodity, giving size, quantity and clear word description of the commodity. Enter the GSA/DOD II-digit Federation Stock Number, if known, and other identifying data such as special formula, specification or other distinguishing characteristics which will help identify the commodity. Multi-Coded Items: If the shipment is made up of commodities bearing differing Schedule B codes, or if the commodity description varies significantly within the same Schedule B code, separate entries must be furnished for each code or description. Space for this purpose is provided in block 14. Separate forms AID.-II must be executed and submitted if (a) there is insufficient space in blocks 7 through 9 and block 14 to list all codes and descriptions involved, or if (b) the entries in blocks 10 through 13 are not common to all commodities listed on the form. Block 9: Enter the unit price for the commodity (FAS/FOB port of loading) and name of port of loading. For other delivery terms, enter a constructive FAS/FOB price; *i.e.*, subtract from the C&F or CIF price estimated freight and insurance or add to the FOB plant price estimated inland freight and handling charges to the named port of loading. This information is not for the purpose of a price preaudit but it is requested to provide A.I.D. with an order of price magnitude, for statistical purposes, and for program planning purposes; Block 10: Enter the source country of the commodity as defined in SS 201.01 of (q) and 201-11 (b) of A.I.D. Regulation 1, Block 11: Indicate whether the produced commodity contains components imported from a country other than that shown in block 10. Block 12: If the "Yes" box has been checked in block 11, show the name of each country from which components were obtained and the total cost per unit of non-source country components. Block 13: If the supplier is a secondary supplier (a merchant exporter) and is not the producer (*i.e.*,) manufacturer, processor, or assembler), enter the name and address of the producer and the estimated amount paid to each producer. This information is required for statistical purposes only and is in lieu of similar information previously required to be submitted to A.I.D. under terms of letters of credit. Block 14: This space is for use in listing multi-coded items. See instructions above concerning blocks 7 through 9. Block 15: This block may be used to furnish explanation of, or additional information in connection with, any entries on the form. In addition, if a used commodity *e.g.*, rebuilt rehabilitated) or a commodity of secondary quality (*e.g.*, reject,remnant) is furnished, a description of the class of quality of the commodity is required to be entered in this block. (See supplier's certifications 4 and 5).

ANNEXURE III

Notice to U.S. Business regarding proposed procurement of goods

Instructions.—Procurement under the import licence can proceed only after giving a Notice to U.S. Business on the proposed procurement in the following manner. As soon as an importer receives an import licence, he should decide on the items to be imported under the licence from among the items authorised thereunder in a *realistic manner* consistent with the C.I.F. value of the licence and with the requirement that *no single shipment of value less than Rs.* 41,250 *shall be permissible.* There is no objection to importers envisaging

an import of authorised items even if the C.I.F. cost of individual items is less than Rs. 41,250 and each item is likely to be supplied by different suppliers, provided the importer is reasonably sure of pursuading one of the suppliers to coordinate supplies by collecting materials and the prescribed documents from the various other suppliers chosen on advance payment and shipping the entire material in an consignment under a single invoice of value Rs. 41,250 or more, without charging any fee for the services rendered either directly or indirectly. There is also no objection to giving a conditional Notice to U.S. Business making the coordination of supplies on the supplier of one of the items obligatory or indicating in the Notice to U.S. Business that preference shall be given to a supplier who can supply all the items proposed for procurement jointly. As, however, such coordination of supplies is generally difficult, the importers are advised to confine themselves to only those authorised items which can be imported consistent with the requirement relating to the minimum value of shipment. In envisaging imports against a licence; there is no objection to importers reserving to themselves certain amount of flexibility provided the flexibility reserved is reasonable and realistic and is spelt out clearly in the "Notice to U.S. Business". After deciding on the import in the aforesaid manner, the importer should execute the form "Notice to U.S. Business" given below and submit six copies thereof to the Department of Industrial Development (AID Section), Udyog Bhavan, New Delhi. The "Notice to U. S. Business" must be prepared in English. To the extent possible, specifications according to U.S. standards shall be indicated for all the items sought to be imported and where U.S. specifications are not known, full description of the goods shall be given. While giving the description it should be ensured that it is worded in general terms enabling all interested U.S. suppliers to send in their quotations. In those instances, where trade or brand names are used in the description for identification purposes, the importer should indicate that offers will be accepted for comparable products by including the following note under the description:—

> "For items identified herein by trade, brand name or equal, such identification is intended to be descriptive, but not restrictive, and is to indicate the quality and characteristics of material, equipment or other products that will be satisfactory. Importer agrees to accept and evaluate offers for comparable products".

The importer shall not place or agree to place any order with the supplier until 45 days have elapsed from the time that the "Notice to U.S. Business" reaches the Agency for International Develoment, Washington (In special cases, to enable U.S. Business to make offers, AID may prescribe a longer period). To ensure that notification requirements are complied with, the Department of Industrial Development (AID Section) will, while forwarding the "Notice to U.S. Business" to AID for publication in "AID Small Business Circular" advise the importer the "bid closing date" *i.e.*, the date upto which he shall defer placement of orders. On the expiry of this waiting period and subject to the importer receiving no further communication either from that authority or the AID, Washington, the importers may finalise orders, after considering the quotations, if any, received from the U.S. suppliers in response to the "Notice to U.S. Business" published by the AID in the "Small Business Circular". The orders must be finalised within three weeks of the expiry of the bid closing date and in the case of items where prices fluctuate daily, within fifteen days of the bid closing date.

2 The Department of Industrial Development or AID may require the revision and resubmission of any "Notice to U.S. Business" which does not comply with the requirements set forth herein. If warranted the bid closing date may be extended due to such resubmissions.

3. The "Notice" should contain an entry for each paragraph, A through K. Paragraph (A) will always be "India", Paragraph (B) will be the Loan Number shown in the import licence and paragraph (D) will always be U.S.A. If data for an entry is not necessary, insert 'N.A.' meaning "Not applicable".

Format of Notice to U.S. Business Regarding Proposed Procurement

A.	Country	India
B.	Authority	AID Loan No.
C.	Sub-Authority	Import Licence No.
D.	Source	U.S.A. Aid Geographic Code No. (000).
E.	Closing Date bids will be accepted	(See Note 1)
F.	Importer	(See Note 2)
G.	Commodity	(See Note 3)
H.	Shipping Basis for bid Quotations	(See Note 4)
I.	Cable address if cablegram bids are acceptable	(See Note 5)
J.	Desired delivery date and Port of entry.	
K.	Other requirements	(See Note 6)

Explanatory Notes

Guidance as to the informaton required in the individual paragraphs of the "Notice" is contained in the following notes:—

NOTE 1.—This will be filled by the Department of Industrial Development, AID Section, New Delhi.

NOTE 2.—Indicate the name and complete address of the importer. Telephone number may also be included if the importer is willing to deal with the bidders by such means.

(For example: Importer)

Acme Import Co., Ltd., 14 Front Street, Bombay, India Tele. Bombay 373781.

NOTE 3.—Fully describe the commodities (excluding ocean transportation and marine insurance) for which quotations or offers are desired. Specifications shall indicate sizes, quantities, etc., *separately* for *each item* and where more than one grade or quality is involved for *each grade* or *quality*, together with the flexibility the importer wants to reserve to himself in the matter. They shall be in terminology which is readily understandable by U.S. Commercial trade and which will enable U.S. Suppliers to submit quotations without further interpretation. Electrical equipment shall include the power characteristics required. Data shall be in such sufficient detail as to provide an adequate basis on which suppliers can submit realistic offers. Omission of U.S. standards as herein prescribed, may make the entire "notice" unacceptable.

If "Notice to U.S. Business" contains references to drawings and/or to specifications running to several pages, the importer should send 6 copies of the 'Notice to U.S. Business' only but retain with him the drawings and the documents containing the detailed specifications about which reference has been made in the "Notice to U.S. Business". The Department of Industrial Development, AID Section, Udyog Bhavan, New Delhi, while transmitting the "Notice to U.S. Business" to AID, Washington, for publication will inform the importer of the 'bid closing date' (*i.e.*, the date filled in against entry 'E' of the "Notice") and also request him to send at least 50 copies of the drawings, documents containing specifications to the Office of Small Business, Agency for International Development, Washington D.C. 20523 direct by *AIR MAIL* citing reference to the number and date of the Department of Industrial Development's letter under which the "Notice to U.S. Business" was forwarded to AID, Washington, for publication. The importer should comply with this request *immediately* and ensure that the copies of drawing etc., are sent to the Office of the Small Business, Agency for International Development, Washington D.C. 20523 so as to reach that office at least 45 days in advance of the 'bid closing date'. The importer should endorse to the Department of Industrial Development (AID Section), Udyog Bhaban, New

Delhi, a copy of the communication addressed to the Office of Small Business, AID, Washington, in this connection. The Department of Industrial Development will thereupon inform the importer, having regard to the date of despatch of the drawings by the importer, whether the original 'bid closing date' remains unchanged. The importer should await this information from the Department before acting on the original 'bid closing date'.

NOTE 4.—Indicate basis on which quotations or offers are to be submitted; cif, or c and f. Port of Entry into India; f.a.s. or f.o.b. Port of exit from U.S.A. etc. (For example; Basis; c.i.f. Bombay).

NOTE 5.—Indicate whether or not cablegram quotations will be accepted. If acceptable, show Importers' cable address. (For example; I, Cablegram: Acceptable, ACICO, Bombay).

NOTE 6.—List any special shipping or packing instructions or other conditions and information which may be applicable and not included in preceding paragraphs. (For Annexure XII should be cited).

ANNEXURE IV

(a) *Form of Application where no credit facilities are involved:*

To

The Senior Accounts Officer,
Economic Aid Accounts Section,
Ministry of Finance,
(Department of Economic Affairs),
Jeewan Deep Building, Parliament Street.
New Delhi.

SUBJECT.—Import of ..... from U.S.A. under AID Loan ..... .

Sir,

In connection with the import of ..... from U.S.A. against the above AID Loan, we furnish the following particulars to enable you to issue us authorisation for opening a Letter of Credit through our bankers on the U.S. Bank designated by you:—

(a) Particulars of Import Licence.

No. and date	Value (Rs.)	Date upto which valid.

(b) Dollar value of licence. (Calculated at Rs. 750 per $ 100).

(c) Dollar value of the orders placed for which authorisation is required specifying the name and address of the supplier/suppliers and the amount/s of authorisations required separately against each supplier (copy of orders placed and U.S. suppliers' acceptance thereof to be attached.).

(d) AID Commodity Code Number relating to the goods ordered.

(e) Name of the Indian Bank which has furnished the Bank Guarantee and which will open the Letter of Credit.

The Bank Guarantee furnished by ..... and
Name of Bank

which has been duly adjudicated by the Collector in accordance with the provisions of Section 31 of the Stamp Act, 1899 is attached.

2. We certify that in respect of the goods covered by the orders in para 1(c) above, the requirements of 'Notice to U.S. Business Waiver' as prescribed in clauses (II) and (III) of the Appendix to Ministry of Commerce Public Notice No. 119-ITC(PN)/68 dated 25*th June*, 1968 have been duly fulfilled and the orders have been placed in accordance with and within the time limit specified in clause (IV) of the same Appendix.

Yours faithfully,

(Signature of the Licensee and full address).

PLACE: .....

Date: .....

(b) *Form of application where credit facilities are involved.*

To

The Senior Accounts Officer,
Economic Aid Accounts Section,
Ministry of Finance,
Department of Economic Affairs,
Jeevan Deep Building,
Parliament Street,
New Delhi-1.

SUBJECT.—Import of ..... from U.S.A. under AID Non-Project Loan No. .....

Sir,

In connection with the import of ..... from U.S.A. against the above AID Loan effected by us with credit facility afforded by our U.S. supplier(s), we furnish the following particulars with the request to arrange payment to the supplier(s) direct in U.S. dollars under the subject Loan:—

(a) Particulars of the Import Licence against which the subject imports were effected (No., date, value and date of expiry) and particulars of the orders placed (No., date, value and the suppliers name).

(b) Particulars of the commodity imported:

(i) Exact description.

(ii) Description of the relative commodity group as given in the AID Commodity Code.

(iii) The Commodity Code No.

(c) Name(s) and address (es) of the U.S. Supplier(s) of the goods imported.

(d) Date of despatch from the U.S.A. (*i.e.*, date of the bill of lading).

(e) Period of credit extended by the supplier(s) and due date(s) of payment;

(f) Invoice No.(s), date(s) and net amount(s) payable to the supplier(s) after deduction of Indian Agents' Commission: [Invoice copy (copies) to be attached];

(g) Name of the treasury, chalan(s) No.(s) and date(s), amount(s) deposited* as evidenced in the chalan(s); [Original treasury chalan(s) evidencing deposit to be attached];

(h) The name and address of the Indian agent(s), where agents' commission is involved, and the commission(s) payable as per the invoices (in rupees) [to be worked out from the dollar figure(s) indicated in the invoice(s) at the dollar-rupee rate applicable to the date of deposit];

Certified that:—

(1) The commission(s) payable to the agent(s) in India as indicated in column (h) above has (have) been paid to the agent(s), after obtaining certificate(s) from the agent(s) as indicated in Clause V(b) of Ministry of Commerce Public Notice No. 119-ITC(PN)/68 dated 25th June, 1968, (where applicable).

(2) The orders on the U.S. Suppliers were placed after complying with the Notice to U.S. Business procedure or obtaining a waiver thereof as stipulated in Clauses (II) and (III) of Ministry of Commerce Public Notice No. 119-ITC (PN)/68 dated the 25th June, 1968. (The letter No. and date of the Department of Industrial Development forwarding the Notice to U.S. Business or communicating waiver, and the bid deadline date fixed by that Department in the case of Notice to U.S. Business are to be quoted.)

Yours faithfully,

(Signature of the licencee and full address).

PLACE: .....

Date: .....

*The amount to be deposited should be arrived at by adding:

(a) the rupee equivalent calculated by conversion of the net invoiced dollar amount payable to the supplier into rupees at the rate of $ 100 = Rs. 757·50.

(b) 1/3% of the amount stated at (a) above.

ANNEXURE V

Form of Bank Guarantee

To

The President of India,

Through Secretary to the Govt., of India,

Ministry of Finance,

Department of Economic Affairs,

New Delhi.

Sir,

In consideration of the President of India hereinafter referred to as 'the Government' having agreed to arrange for payment in foreign currency of the price of goods to be imported by

*(i) .....
(ii) .....
(iii) .....
(iv) .....

} individual/partners working under the name and style of Messrs .....
.....
[name(s) and address(es)]

†Messrs ..... a company having its registered office at ..... in the State of..... hereinafter referred to as the 'Importers' under Import Licence No. ..... dated ..... granted for ..... rupees, we, ... hereby guarantee that we shall arrange deposit to the credit of the Government in the Reserve Bank of India, New Delhi/State Bank of India, Delhi, or by means of a Demand Draft on State Bank of India, New Delhi in favour of the Accountant General, Central Revenues, New Delhi.

(i) Within seven days of the receipt of advice of payment with shipping documents, from the U.S. Banks, of rupee equivalent of the invoice

price representing the dollar disbursements made by the U.S. Banks under the letter of credit established by us against the letter of commitment of the U.S. Agency for International Development, Department of State, Washington hereinafter referred to as the 'U.S. AID' at the rate of Rs. 757·50 per $100 along with interest thereon at six per cent per annum from the date of payment to U.S. Suppliers to the date of deposit of rupee equivalent.

(ii) Within seven days of the demand by the Government of such additional amount as may be demanded by the Government as being due on account of service charges.

2. We, ... undertake to pay to the Government on demand and without demur such sum not exceeding ..... rupees (plus interest and service charges as aforesaid) as may be demanded by the Government in the event of the Importers failing or neglecting to make any of the above mentioned said payments and the decision of the Government as to such failure or neglect on the part of Importers and as to the amount payable to the Government by us hereunder shall be final and binding on us.

3. We, ... agree and undertake not to release shipping documents to the Importer until after the rupee equivalent as aforesaid and the other dues, if any, as demanded by Government are deposited to the credit of the Government.

4. We, ... agree and undertake not to revoke this guarantee during its currency except with the previous consent of the Government in writing.

5. The guarantee herein contained shall not be affected by any change in the constitution of the Importers or of our Bank.

6. The Government shall have the fullest liberty without affecting this guarantee to vary any of the terms of the Import Licence detailed above or to extend the time for payment by the Importers from time to time or to postpone for any time and from time to time any of the powers exercisable by it against the importers and we, ... shall not be released from our liability under this Guarantee by any exercise by the Government of the liberty with reference to the amount aforesaid or by reason of any such variation or extension of time being given to the Importers or any forbearance, act or omission on the part of the Government or any indulgence by the Government to the importers or by any of the matters or things whatsoever which under the law relating to sureties shall but for this provision have the effect of so releasing us ..... Bank from our such liability.

Our liability under this bond/guarantee is restricted to Rs. ..... (plus interest and service charges as aforesaid) and it will remain in force till the .....** day of ..... (Month)..... 196 . Unless claims under the bond/guarantee are made in writing within six months of this date and unless a suit or action to enforce these claims is commenced within another six months thereafter *i.e.*, upto ..... all Governments' rights under this bound/guarantee shall be forfeited and we shall be relieved and discharged from all liability thereunder.

Yours faithfully,

Signature of the Authorised Officer of the Bank and Bank's full address.

PLACE:

Date:

(The Bank Guarantee is to be executed on a non-judicial stamp paper, the value of the stamp being adjudicated by the Collector in accordance with the provisions of Section 31 of the Indian Stamp Act, 1899).

*Strike out which is not applicable.

**This date shall be arrived at by adding one month to the date by which all payments are expected to be finalised.

ANNEXURE VI

Source Rulings

Sl. No.	Item	Source Rulng
1	2	3
1.	Revision of A.I.D. Commodity Procurement Source Origin Policy.	To assure more effective compliance with the President's Directive that further steps be taken to improve the U.S. balance of-payments position, and to provide consistency with normal practices of American suppliers, the following change in A.I.D. policy with regard to eligible commodities has been made effective as of January 4, 1964. A commodity, even though produced through manufacturing, processing or assembly in, and shipped to the cooperating country from, an authorized source country, will not be eligible for A.I.D. financing if: (i) it contains any component from countries not included in A.I.D. Geographic Code 899*; or (ii) it contains any component or components acquired by the producer of the commodity in the form in which imported into the country of production from free world countries (A.I.D. Geographic Code 899) other than authorised source countries, at a total cost delivered to the point of production) that amounts to more than 10% of the lowest price (excluding the cost of ocean transportation and marine insurance) at which the supplier makes the commodity available for export scale (whether or not financed by A.I.D.) The above change affects only transactions based on procurement authorised by A.I.D. subsequent to its effective date, January 4, 1964. Transactions based on earlier authorisation will be subject to the express terms and conditions of such authorisations and to the policies then in effect. In view of these changes in A.I.D. commodity source origin policy, U.S. suppliers involved are urged to examine carefully pertinent provisions of their letters of credit or other instructions received from their importers. For all future transactions, unless specifically advised to the contrary by their importers, exporters would be safe in assuming that the 10 per cent rule will apply. Variations from the 10 per cent limitation on imported components may be authorized by A.I.D. when appropriate, as and when required to reflect the general practice of American industry or for other justifiable reasons. Requests from individual firms or industry groups for variations from the 10 per cent rule should be addressed to the Industrial Resources Division, Agency for International Development, Washington D.C. 20523.

*Code 899 includes all the countries of the world except U.S.S.R., Eastern Europe, China (Mainland) and Cuba.

1	2	3
2.	Ruling on Components	In order to clarify the 10% componentry rule, A.I.D. has ruled that the cost of imported components is to be computed on the basis of cost as of the time of delivery to the point of production. The cost should not be calculated on a net basis to reflect an anticipated rebate or drawback of import duty. When variations from the 10% componentry rule are requested, each such request should state the price at which export sale is made, the dollar cost of the imported components and the dollar amount and percentage of the component cost which will result from any anticipated rebate or drawback of import duty. In response to questions as to whether the 10% componentry rule could be applied on a complete installation rather than to the individual elements making up the installation, A.I.D. has ruled that such questions must be decided on the basis of particular circumstances involved in each case. Factors involved would include such things as the particular elements of the installation to be imported and whether the source of financing would restrict the competition to U.S. firms or allow foreign competition as well. Attention is invited to the last paragraph of Small Business Memo. No. 64-4 (reproduced in Serial No. 1 of this Annexure) which permits variations from a right adherence to the 10% rule.
3.	Ruling on spare parts	Several inquiries have been received regarding the foreign componentry limitations as applied to spare and replacement parts when sold and shipped with the basic equipment and when shipped separately. The following is issued for purposes of clarification: In the case of sales of parts shipped separately from the equipment, the foreign componentry limitation applies to each individual spare part or replacement part. A shipment of parts only may not include any foreign parts. A single sub-assembly commonly provided (*e.g.* a cut gasket and a carburetor) is considered an individual part. Frequently parts are ordered to accompany a machine or piece of equipment to which they are applicable, and the machine or equipment is subject to a maximum foreign componentry limitation either 10% or another percentage specially determined. In these cases, A.I.D. will allow the inclusion of foreign spare parts applicable to the foreign components of the basic entity (machine or piece of equipment) upto a value which, when added to the value of the foreign components of the basic entity does not exceed the allowable percentage of the price of the basic entity. The price used will be the lowest price (excluding the cost of ocean transportation and marine insurance) at which the supplier makes the basic entity available for export sale.
4.	Automotive Equipment	A.I.D. has ruled that knocked-down units of automotive equipment to be assembled in the recipient country may include upto ten per cent of foreign manufactured components from countries eligible under A.I.D.

1	2	3
		Geographic Code 899 even though the knocked down unit is not complete and needs the addition of indigenously manufactured units to make a complete vehicle. The foreign components so included must, however, be shipped from an authorised source country on a single Bill of Lading with the other components. The ruling does not extend to foreign components intended as spare or replacement parts. Suppliers desiring exception under the above ruling should present the facts in writing to the Industrial Resources Division of Material Resources, Agency for International Development, Washington, D.C. 20523. A.I.D. has ruled that trucks manufactured in authorized source countries may contain Diesel Engines or Gasoline Engines of foreign manufacture from unauthorized source countries listed under A.I.D. Geographic Code 899 provided that the total cost of all components from unauthorized sources listed under Code 899 (delivered at the point of production) does not amount to more than 30% or 15% respectively, of the lowest fast port of exit price (excluding the cost of ocean transportation and marine insurance) at which the supplier makes vehicle available for export sale, whether financed by A.I.D. or not; and provided further that any vehicle equipped with tyres and/or tubes from other than authorized sources shall be eligible for A.I.D. financing only if the vehicles conform to the componentry limitation of 10% as stated in A.I.D. Regulation 1, Section 201, 11(b) (2) (ii) (b). The ruling applies whether the trucks are shipped assembled or completely-knocked-down provided the shipment is from an authorized source on a single Bill of Lading. The exception does not extend to parts or components shipped separately for use as spare or replacement parts even though shipped from an authorized source. This revision is applicable to those individual vehicle suppliers who have previously made application in writing to the Industrial Resources Division, Office of Material Resources, Agency for International Development, Washington, D.C. 20523, and been granted specific rulings. Suppliers with similar problems and desiring a specific ruling should put the facts in writing to the Industrial Resources Division.
5. Steel		A.I.D. has ruled that foreign ores from countries eligible under A.I.D. Geographic Code 899 used in the production of Steel by United States Producers is exempted from the 10% componentry rule. This is an industry ruling for which individual application need not be made.
6. Diamond Drill Bits, Wheels and Tools.		To be eligible for A.I.D. financing, drill bits, Wheels and tools which normally contain industrial diamond or bortz cutting edges must be wholly manufactured within an area of source specified in an A.I.D. authorising document as an eligible source of supply. The term "manufactured" means all processes necessary to produce the basic cutting tool including the setting of industrial diamonds or bortz cutting edges.

1	2	3
		This is a general rule affecting the entire diamond tool industry. For that industry, the ratio of the value of imported diamond or bortz setting to the cost of finished product is not pertinent provided the rule set forth in the above paragraph is met.
7.	Asbestos Cement Pipe . .	A.I.D. has ruled that asbestos cement products may include asbestos fibres produced in countries eligible under A.I.D. Geographic Code 899 and acquired by the producer in the form in which, imported, providing the total cost of such asbestos fibres (delivered at the point of production) amounts to not more than 20% of the lowest price (excluding the cost of ocean transportation and marine insurance) at which the supplier makes the asbestos cement product available for export sale (whether or not financed by A.I.D.). This is an industry ordering for which individual applications need not be made.
8.	Electrolytic Manganese Dioxide	A.I.D. has ruled that electrolytic Manganese Dioxide is eligible for A.I.D. financing provided the total component cost of manganese ore imported from countries eligible under A.I.D. Geographic Code 899 does not exceed 20% of the lowest price (excluding the cost of ocean transportation and marine insurance) at which the supplier makes the commodity available for export sale. This is an industry ruling for which individual applications need not be made.
9.	Titanium Dioxide . . .	A.I.D. has ruled that titanium dioxide is eligible for A.I.D. financing provided total cost of raw material, imported from countries eligible under A.I.D. Geographic Code 899, used in manufacturing the product does not exceed 15% of the lowest price (excluding the cost of ocean transportation and marine insurance) at which the supplier makes the product available for export sale. This is an industry ruling for which individual applications need not be made.
10.	Refined Copper . . .	A.I.D. has ruled that foreign copper ores and concentrates, black, and blister copper from countries eligible under A.I.D. Geographic Code 899 used in the production of refined copper by United States producers are exempted from the 10% componentry rule. This is an industry ruling for which individual applications need not be made.
11.	Electrolytic Manganese Metal	A.I.D. has ruled that electrolytic manganese metal is eligible for A.I.D. financing provided the total component cost of manganese ore imported from countries eligible under AID Geographic Code 899 does not exceed 15% of the lowest price (excluding the cost of ocean transportation and marine insurance) at which the supplier makes the commodity available for export sale. This is an industry ruling for which individual applications need not be made.

1	2	3
12.	Anthrosol Blue IBC Component of Vat Dye.	A.I.D. has ruled that Anthrosol Blue IBC, is eligible for A.I.D. financing provided the total cost of the raw material, 2 Acetyle Amino, 3 Chloro Anthraquinone imported from countries eligible under A.I.D. Geographic Code 899 delivered to point of production does not exceed 33% of the lowest price (excluding the cost of ocean transportation and marine insurance) at which the supplier makes the product available for export sale. This is an industry ruling for which individual application need not be made.
13.	Natural Cryolite . . .	A.I.D. has ruled that processed natural cryolite is eligible for A.I.D. financing provided the total cost of the raw material imported from countries eligible under A.I.D. Geographic Code 899 used in processing the product does not exceed 25% of the lowest price (excluding the cost of ocean transportation and marine insurance) at which the supplier makes the product available for export sale. This is an industry ruling for which individual application need not be made.
14.	Hydrous Tribasic Lead Sulfate.	A.I.D. has ruled that lead imported from countries eligible under A.I.D. Geographic Code 899 and used in the production of hydrous tribasic lead sulfate by H.S. Manufacturers is exempt from 10% foreign componentry rule. This is an industry ruling or fwhich individual application need not be made.
15.	Tyres & Tubes . . .	A.I.D. has ruled that the crude rubber used in the manufacture of tyres and tubes sold under A.I.D. financing may be considered as of United States source when the tyre manufacturer agrees to purchase at least an equivalent amount of crude rubber from the U.S. Government stockpile. This is an industry ruling for which individual application need not be made.
16.	Diesel-Electric Generators .	A.I.D. has ruled that Diesel Electric Generators manufactured in United States up to and included 15 KW (18·75 KVA) capacity, may contain diesel engines of foreign manufacture from countries eligible under A.I.D. Geographic Code 899 provided that not more than 50% of the port of export price (excluding the cost of ocean transportation and marine insurance) is presented by such components. This is an industry ruling for which individual applications need not be made.
17.	Agricultural Tractors & Implements.	A.I.D. has ruled that agricultural wheel tractors (included in Code 8332) and implements, (Code 7708) produced in authorized source countries, may, when it is a matter of historic practice, contain components imported from countries eligible under A.I.D. Geographic Code 899 provided the delivered cost of such components does not exceed 40% of the lowest F.A.S. port of export price of the item. Suppliers with similar problems who desire a specific ruling should put the facts in writing to the Industrial Resources Division of Material Resources, Agency for International Development, Washington, D.C. 20523.

1	2	3
18.	Hydraulic Turbines	A.I.D. has ruled that the non-U.S. product engineering services associated with the design, testing, fabrication and installation of hydraulic turbines shall be included as a relevant computable item within the ten per cent componentry limitation as set forth in SBM No. 64-4 (reproduced in serial No. 1 of this Annexure). As used in this source ruling, the following terms have the meanings indicated below:— 1. "Non-U.S. product engineering" means product engineering services which are performed by other than a U.S. firm. 2. "U.S. firm" means an entity which: (*a*) Is incorporated or legally domiciled in the United States. (*b*) Has its principal place of business in the United States; and (*c*) Is more than 50% beneficially owned by a U.S firm or firms and/or U.S. citizens. In cases involving the procurement of hydraulic turbines the following procedures apply: 1. Bids for one or more turbines shall be taken separately from all other equipment. Turbines shall not be bid with generators as one package (A request for waiver of this requirement may be submitted to AID/W by the borrower/grantee. Requests shall be in writing, and shall include a detailed justification for the combined procurement. 2. The bidder shall submit (preferably with his bid documents), for review and approval by the borrower/grantee or his agent, evidence of all non-U.S. product engineering associated with the hydraulic turbine being offered. Such evidence shall be in the form of a bidding sub-contract, or other equivalent documentation and shall include: (*a*) A clear description and a detailed account of all non-U.S. product engineering which was (or will be) performed as part of the turbine sale; and (*b*) An estimate, based on the total bid price for the hydraulic turbine, reflecting: (*i*) the percentage of price attributable to expenditures relating to the non-U.S. product engineering, and (*ii*) the total percentage of price for all non-U.S. component costs (including the non-U.S. product engineering element).
19.	Fully Refined Petroleum Waxes	A.I.D. has ruled that crude oils imported from countries eligible under A.I.D. Geographic Code 899 used in the production of fully refined petroleum waxes manufactured completely in the United States are exempted from the 10% componentry rule. This is an industry ruling for which individual application need not be made.

1	2	3
20	Manganese Dioxide Manganese Hydrate 25x]	A.I.D. has ruled that manganese dioxide Manganese Hydrate 25x, is eligible for A.I.D. financing providing the total component cost of precipitated manganese dioxide and manganese ore imported from unauthorised source countries included in A.I.D. Geographic Code 899 does not exceed 28% of the lowest price (excluding the cost of ocean transporation and marine insurance) at which the supplier makes the commodity available for export sale. This is an industry ruling for which individual application need not be made.
21	Nickel Cadmium Batteries (Industrial Type)	A.I.D. has ruled that industrial type nickel cadmium batteries (i.e. railroad signalling and locomotive starting) manufactured in the United States, may contain foreign componentry from countries listed under A.I.D. Geographic Code 899 provided the total cost (delivered to the point of production) does not exceed 42% of the lowest price at which the supplier makes the commodity available for export sale. (whether or not financed by A.I.D.). This is an industry ruling for which individual application need not be made. This limited time authorisation applies to deliveries made during the period Nov. 1, 1967 through Oct. 31, 1968 as evidenced by the bill of lading submitted to support reimbursement. Any deliveries supported by bills of lading dated later than Nov. 1, 1968 must comply with the standard 10 per cent rule or such other percentage limitation as A.I.D. may.....prescribe.
22	Motorcycles	A.I.D. has ruled that lightweight motorcycles manufactured in authoised source countries may contain engines, and other miscellaneous components from countries eligible under A.I.D. Geographic Code 899 provided that not more than 50% of the F.A.S Port of Export price is represented by such components the ruling applies provided the shipment is from an authorised source. The exception does not extend to parts or components from authorised sources shipped for use as spare or replacement parts. Suppliers with similar problems and desiring a specific ruling should put the facts in writing to the Industrial Resources Division, Office of Material Resources, Agency for International Development, Washington D.C. 20523.
23	Medicinal & Pharmaceutical Preparation	A.I.D. has ruled that medicinal and pharmaceutical preparation (Commodity Codes 3701 and 3702 manufactured in United States may contain component from countries listed under A.I.D. Geographic Code 899 provided the total cost of such components (delivered to the point of production) does not exceed 25% of the lowest price (excluding the cost of ocean transportation and marine insurance) at which the supplier makes the commodity available for export sale. (whether or not financed by A.I.D.). This is an industry ruling for which individual application need not be made.

1	2	3
24	Nickel Sulphate, Nickel carbonate, Nickel Acetate, Nickel Chloride, Nickel Formate, Nickel Nitrate, Rufert Nickel, Catalysts, Nysil Nickel Catalysts (A.I.D. Commodity Code 595).	A.I.D. has ruled that nickel imported from countries eligible under A.I.D. Geographic Code 899 used in the production of Nickel sulphate, nickel carbonate, nickel acetate, nickel chloride, nickel formate, nickel nitrate, Rofert nickel Catalysts and Nysil nickel catalysts by U.S.producers is exempt from the 10% componentary rule. This is an industry ruling for which individual application need not be made.
25	Nickel Chemicals (AID Commodity Code 390).	A.I.D. has ruled that nickel imported from Free World Countries (A.I.D. Geographic Code 899) is exempt from the 10% componentry rule when used by U.S. producers for the manufacture of nickel sulphate. nickel carbonate, nickel acetate, nickel chloride, nickel formate, nickel nitrate, and nickel catalysts. This is an industry ruling for which individual application need not be made.
26	Contraceptives (Commodity Code 381).	A.I.D. has ruled that contraceptives in finished dosage form (if eligible for A.I.D. financing) may contain components from countries listed under A.I.D. Geographic Code 899 provided the total cost of such components (delivered to the point of production) does not exceed 25% of the lowest price (excluding the cost of ocean transportation and marine insurance) at which the supplier makes the commodity available for export sale. (whether or not financed by A.I.D.) This is an industry ruling for which individual application need not be made.
27	Aluminium products [AID Commodity Code 6919 (partial) and 6899 (partial)].	A.I.D. has ruled that aluminium ingots imports from free world countries used in the production of aluminium products by a U.S. manufacturer may be considered as of U.S. source when the manufacturer of such products agrees to purchase at least an equivalent quantity of aluminium ingots from U.S. Government Stockpile. This is an industry ruling for which individual application need not be made.

ANNEXURE VII

Documents required from supplier

1. *Suppliers invoice*:

A. The invoice should show the name and address of the importer quantity and detailed description of each item supplied; sales price for each item reflecting all trade discounts, the basis of delivery (FOB, C&F, CIF and FAS) of the goods, the dollar cost of any incidental services including delivery services not included in the supplier of marine or transportation insurance and the dollar cost of such insurance, if less than fifty dollars ($50).

The invoice, where payment of commission to the agent in India is involved, shall be in two sets as explained in clause (V) of the Appendix, unless the supplier prefers to opt for the single invoice system.

B. Where the supplier's invoice covers cost of ocean freight only, such invoice shall be executed by the supplier of the ocean freight and shall indicate instead of the quantity, description, sales prices and basis of delivery indicated above, the vessel, flag and the dollar and/or rupee cost of ocean freight and other transportation charges. If the bill of lading (required by sub-paragraph C(i) below) meets the requirements of this subpragraph, no invoice is required.

C. In the case of goods shipped from free port or bonded warehouse, the supplier's should endorse on or attach to the copy (or photostat) of the supplier's invoice, a statement indicating:—

(1) Shipment from either a free port or bonded warehouse, in accordance with the facts;

(2) The country or area from which the goods were shipped into such free ports or bonded warehouse; and

(3) The name and flag of the vessel which transported the commodities from the U.S.A. to the free port or bonded warehouse;

The invoice should be signed.

2. *Evidence of shipment*:

A. Bill of lading or substitute one copy (or photostat) of ocean or charter party bill of lading or airway bill, or parcel post receipt. The Bill of Lading shall indicate the carrier's statement of charges in whatever currency it is paid.

B. *Bank certificate for shipments from the United States*. In the case of any commodity shipped from the continental United States (excluding Alaska) a certificate from the banking institution to the effect that it has been informed by the Approved Applicant or supplier that the sale is on an F.O.B. or F.A.S. basis and it is impracticable to furnish an ocean or charter party bill of lading, airway bill or parcel post receipt and that either:

(1) Shipment documents sent by bank. The banking institution has received a common carrier bill of lading, warehouse receipt, mate's receipt, master's receipt, dock receipt or domestic parcel post receipt (if in non-negotiable form, showing that the commodity has been consigned to or is being held for a person or organisation designed by the approved applicant) it has delivered or sent the same, in accordance with the instructions of the approved applicant to a person or organisation designated by the Approved Applicant; and it has in its possession a written undertaking of such person or organisation (a) to arrange for ocean shipment and to deliver to the banking institution a copy (or photostat) or the ocean or charter party bill of lading, airway bill, or parcel post receipt or (b) if unable to arrange for ocean shipments within 90 days of the date of the undertaking to deliver the banking institution a common carrier bill of lading or warehouse receipt in negotiable form for the commodity; or

(2) Shipment document held by bank. The banking institution has received a common carrier bill of lading or warehouse receipt in negotiable form, and is in possession of the bank; it has been unable to deliver the same to a person or organisation designated by the Approved Applicant against the written undertaking described in (1) of this sub-division, and it is holding the negotiable common carrier bill of lading or negotiable warehouse receipt except that if it becomes possible before any such instructions are received; it will proceed in accordance with (1) of the Sub-division;

3. *Supplier's Certificate*:

The original and two copies of the "Supplier's Certificate" (Annexure II), "Invoice and Contract Abstract" (Annexure IIA) and in the case of the commodities mentioned in the note below, the Certificate and Agreement regarding concerned pricing (Annexure IIB) (This latter certificate is to be executed by the producer of the commodity if the supplier indicates in para 1 (a) of the certificate that he is not also the producer) original signed by a responsible official of the supplier, covering the following:

A. The cost of the commodity, including the costs of ocean freight and/or marine insurance including war risk insurance when such costs are paid by the supplier for his own or the buyer's account to be executed by the supplier of the commodity.

B. The cost of ocean or air freight to be executed by the carrier.

C. The cost of marine insurance including war risk insurance to be executed by the insurer, insurance broker, or underwriter, when the cost of such insurance is more than fifty dollars ($50).

NOTE.—Carbon black (Commodity Code 39003), Paper pulp and paper board (Commodity Codes 5911, 5912, 5919 and 5921), Rubber products (Commodity Codes 8913 and 8914) and Sulphur (Commodity Code 6406).

4. *Producer's invoices*:

Whenever the supplier indicates in paragraph 1(a) of the Certifiate and Agreement Regarding concerted pricing (A.I.D. Form 285) that he is not also the producer, one copy of the producer's invoice covering the same commodities which are described in the supplier's invoice.

5. *Additional Documentation*:

Such additional or substitute documentation as may be specified from time to time by the Government of India.

NOTE.—"The original of each Supplier's Certificate (A.I.D. Form 282) and each Certificate and Agreement regarding Concerted pricing (A.I.D. Form 285) shall be signed by hand and shall bind the person or organisation on whose behalf the execution is made. Any person or organisation on whose behalf another purports to sign a Certificate which is submitted by such person or organisation shall in all respects be bound thereby, notwithstanding that the person so signing acted without express authority."

ANNEXURE VIII

Statement showing the claims preferred and settled towards shortlandings etc. in respect of A.I.D. Loans for the period ending————————

Sl. No.	Loan No.	Name of importer	Commodity imported	Nature of claim whether for shortlanding or damages ec.	Ref. to order/ shipment to which the claim relates	Name of Supplier/Steamer Co. on whom claim has been preferred	Amount of claim preferred	Amount of claim received/ settled (whether in rupees or foreign exchange to be indicated)	Whether the amount in Col.9 has been received in India in U.S. dollar/other foreign currency (to be specified)
1	2	3	4	5	6	7	8	9	10

Amount of each shipment	Bill of Lading No. & Date.	Invoice No. & Date	Licence No. & Date	Whether or not the goods shortlanded/damaged were replaced by fresh imports from a source other than A.I.D. Loan.	Reference to the letter of Authorisation for the opening of letter of credit issued by the Ministry of Finance to which the shipment relates.	Remarks
11	12	13	14	15	16	17

ANNEXURE IX

Quarterly Progress Report on Procurement for the period ending————————

Name of Importer————————————.

Licence No. ————————————————

A.I.D. Loan No.————————————————

No. and date of authorisation issued by the Ministry of Finance (Department of Economic Affairs) for the opening of Letter of Credit————————————

Sl. No.	Items to be procured with appropriate AID Commodity Code No.	Orders placed				Deliveries made			
		During the period		Comulative to end of the period		During the period		Cumulative to end of the period	
		Qty.	Value	Qty.	Value	Qty.	Value	Qty.	Value
1	2	3	4	5	6	7	8	9	10

Dated

Signature of the authorised representative of the importer.

NOTE.—(1) Quantities should always be expressed in terms of long tons (2240 lbs) and values in U.S. dollars only.

(2) The values of deliveries during and to end of a particular period should correspond to the disbursements made by the U.S. Bank against the particular authorisation of the Ministry of Finance (Department of Economic Affairs).

(3) The date of the relevant bill of lading should be taken as date of delivery.

(4) The report should be completed separately for each letter of Authorisation issued by the Department of Economic Affairs.

ANNEXURE XI

Report on shipping for the quarter/period ending————————in respect of imports against the authorisation for opening of letter of credit issued by the Ministry of Finance (Department of Economic Affairs) in letter No.————————dated————————

U.S. Vessels* (Strike off whichever is not applicable).

Non-U.S. Vessels*

Sl. No.	Name and address of importer	Licence No.	Vessels		Port		Bill of Lading	Description of Cargo	Gross tonnage Total	Long	Tons
		Contract No. and Date	Name	Registry	Exist	Destination	Date	A.I.D. Commodities Code No.	Dry Bulk carrier	Dry cargo liner	Tanker
1	2	3	4	5	6	7	8	9	10	11	12

Freight cost (U.S. Dollar equivalent)		Supplier invoice reference		Indian Agents' commission paid	Amount actually disbursed by the U.S. Bank	Remarks
Total	Paid by U.S. Bank	No. & Date	F.O.B. value of goods (in U.S. Dollars)			
13	14	15	16	17	18	19

Dated.

Signature of the authorised representative of importer.

NOTE:—(1) Reports should be prepared separately for U.S. and Non-U.S. Vessels.

(2) Totals of column 10 to 14, 16, 17 and 18 should always be struck.

(3) Totals of column 18 of the reports both for U.S. and Non-U.S. Vessels taken together, should tally with the total disbursements by U.S. Banks against the letter of authorisation issued by the Ministry of Finance (Deptt. of Economic Affairs).

ANNEXURE XI

Marking requirements—Goods and Shipping Containers

Except as otherwise provided below, all loan financed goods (including machinery, equipment and materials) and their shipping containers will carry an emblem or other marking appropriately indicating the cooperation of the Government of the United States in furnishing assistance in the financing of the goods. Normally, these emblems or markers are affixed by the suppliers of the goods. Importers under AID Loans are responsible for ensuring that suppliers of loan-financed goods receive necessary instructions concerning AID marking requirements.

1. *Type of Emblem or Maker*:

The requirements of the foregoing paragraph may be complied with by affixing a label, deca-comania, stencil, tag, metal plate, or by other means. The kind of emblem and size will depend on the type of commodity or shipping container and the nature of the surface to be marked, but in all cases must be large enough to be clearly visible at a reasonable distance. Emblems placed on goods must be substantially as durable as the trade mark or brand name affixed by the producer; emblems on shipping containers must be legible until they reach their destination. A list of firms that supply emblems satisfactory to the AID can be obtained by the U.S. Supplier from the Marking Requirements Officer, Office of Small Business, Agency for International Development, Washington D.C. 20523.

2. *Exemption and waivers*:

(a) Exempted Goods: To the extent compliance is impracticable materials shipped in bulk, and semi-finished products that are not packaged in any way are exempt from the above prescribed marking requirements. If such materials or semi-finished products are shipped in containers of any kind, appropriate markers as described above shall be placed on or attached to the containers.

(b) Waivers: If strict compliance with the marking requirements, their application to particular shipments or categories of goods will result in undue hardship, disproportionate expenses, delay in delivery of the goods, or is otherwise impracticable, the supplier should apply to the Office of the Small Business, Agency for International Development, Washington with a copy to the Importer. Upon receipt of such application, AID will consider waiving the marking requirements as they apply to the particular shipment or category of goods, or may prescribe alternative means for complying with the requirements. If AID issues a waiver in this regard, the supplier should send a copy of the waiver to the importer.

ANNEXURE XII

Special conditions applicable to certain items of import

AID Commodity Code 050	Description
	Fats and oils.
	Supplier must furnish with invoices :
	(1) a copy (or photostat) of Certificate of Weight by a public weighmaster or surveyor dated on or prior to the date of the ocean bill of lading, (2) Certificate of Analysis by an independent laboratory based on its examination of proper samples drawn on or prior to the date of the ocean bill of lading, which were prepared and authenticated by a qualified sampler or surveyor and (3) certificate as follows : endorsed on or attached to the invoice. "The undersigned certifies that the . . . (insert commodity) for which payment is sought was produced in the United States from crops grown in the United States".

AID Commodity Code	Description
052 . . .	*Oilseeds.*
	Soybeans :
	A. Funds specified herein may be used only for specified U.S. grade soybeans (as defined in the Official Grain Standards of the United States).
	B. Supplier must furnish with invoices :
	(1) a copy (or photostat) of weight and inspection certificates at time of delivery ; and (2) certificate by supplier as follows, endorsed on or attached to invoice ; "The undersigned certifies that the soybeans for which payment is sought were grown in the United States".
060 . . .	*Oil Cake and Meal and other Feeds and Fodder.*
	A. All contracts must conform with trading rules governing purchase and sale of such oil cake and meal and other feeds and fodder as normally practised in the trade and acceptable to both buyer and seller.
	B. Supplier must furnish with invoices :
	A. copy (or photostat) of (1) Certificate of Weight by a public weighmaster or surveyor dated on or prior to the date of the ocean bill of lading ; (2) Certificate of Analysis by an independent laboratory based on its examination of proper samples drawn on or prior to the ocean bill of lading, which were prepared and authenticated by a qualified sampler or surveyor.
2115 . .	*Baby Chicks*
	Additional documentation : Letter from AID/Washington or United States AID Mission to India authorising the transaction.
2119 . .	*Live Sheep*
	Breeding sheep of U. S. origin are eligible for financing under the loan. The sheep shall be purchased in accordance with U.S. Department of Agriculture Export requirements. Since sheep are normally selected and the price negotiated with individual flock owners recommended by the Breed Associations, publications of the proposed procurement in a Small Business Circular is not desirable.
230 233 234 235	Procurement of fertilizer materials and mixtures shall be restricted to those which meet certain technical specifications evidence by an inspection certificate indicating that the material has been tested in accordance with the prescribed analytical method. For further details, the Deptt. of Industrial Development (AID Section) should be approached.
236 . . .	*Pesticides and Agricultural Chemical Specialities (Excluding DDT).*
	Supplier must furnish one copy of inspection certificate by an independent inspection agency affirming that specifications are in accordance with the terms of the underlying contract.
237 .	*DDT (For all Purposes) 20% or More DDT (when used for Agricultural Purposes).*
	Supplier must furnish one copy of inspection certificate by an independent inspection agency affirming that specifications are in accordance with the terms of the underlying contract.

AID Commodity Code	Description

370 . . . *Medicinal and Pharmaceutical Preparations*

A. Medicinal and pharmaceutical preparations in the " finished " dosage form " must be produced in an eligible source country. (1) " Finished dosage form " is the finished pharmaceutical, such as tablet, capsule, ointment, elixir, syrup injectable, or other such form, which requires no further processing before packaging and labelling to be suitable for administration. Packaging, bottling, sterilizing and/or labelling do not constitute a processing operation which produces finished dosage form.

B. Medicinal and pharmaceutical preparations must be procured pursuant to specifications contained in the current U. S. Pharmacopoeia and in the National Formulary of the U. S. The following " Special Provisions for AID-Financing of Commodity Code 370 (Medicinal and pharmaceutical Preparations) " shall apply to the transactions.

Special Provisions for AID-Financing of Commodity Code 370 (Medicinal and Pharmaceutical Preparations).

I *Importers' Responsibilities*

When AID finances the importation of pharmaceuticals, the sub-authorizing or import licensing authorities of the host country shall cause importers to advise potential suppliers that transactions for such commodities must meet the following additional requirements.

(A) *Identification*

1. Invoices must list, opposite each item billed, the established name, as defined in Section 502(*e*) (2) of the Federal Food, Drug, and Cosmetic Act, and quantities of active ingredients in each item supplies.

2. Invoices for pharmaceuticals processed into finished-dosage form while in the country, area, foreign trade zone (free port), or bonded warehouse from which they were shipped to the cooperating country, must show the name and full address of the manufacturer of the finished compound or bulk material which was processed into such finished dosage form.

(B) *Specification and Compliance.*

Every medicinal or pharmaceutical preparation shall comply with the requirements referenced in paragraph 1, 2, or 3 below :

1. *U. S. Federal Food, Drug and Cosmetic Act.*

(*a*) Items for which the United States Pharmacopoeia or the National Formulary of the United States has established specifications shall comply with the minimum requirements of such specifications.

(*b*) Any preparation in finished-dosage form which has ever been approved by U. S. Food and Drug Administration as a " new drug " must be labelled in accordance with the Food and Drug Administration's requirements relating thereto. If such preparation is shipped in other than finished-dosage form, it shall comply with minimum requirements of strength, quality and purity specified in an approved New Drug Application relating to the preparation.

(*c*) Any pharmaceutical not included in the USP or NF, which is not an approved " new drug " and any certifiable antibiotic

AID Commodity Code	Description
	or product containing insulin, must be supported by the suppliers signed statement that it meets the strength, quality, and purity, specified i its labelling, and is safe and efficacious for use as directed in its labelling.
	(*d*) Any antibiotic or derivative of an antibiotic, and any product containing an antibiotic ingredient or derivative thereof, or any drug composed wholly or partly of isulin, must conform with U. S. Food and Drug Administration requirements for such products. Invoices covering such products must show batch number(s) and must be accompanied by copy(ies) of the Food and Drug Certificate(s)* for certifiable product(s) Invoices covering antibiotic bulk must be accompanied by a copy of the results of the check tests and assays conducted by Food and Drug Administration which attest to the strength purity, and quality of the antiobiotic bulk shipped.

2. *U.S. Public Health Service, National Institutes of Health.*—Any biological product for human use must comply with safety, sterility, potency, and other requirements of the U.S. Public Health Service, National Institutes of Health. Invoices covering any such item shall show evidence of such compliance, unless this requirement has been waived by AID.

*Instructions for qualifying to use U.S. Food and Drug Administration certification service, and for submitting samples for testing and subsequent certification, may be obtained from the Division of Antibiotics and Insulin Certification, U.S. Food and Drug Administration.

3. *U.S. Department of Agriculture, Veterinary Biologics Division.*—Any biological product for veterinary use must comply with safety, sterility, potency, and other requirements of the U.S. Department of Agriculture, Veterinary Biologics Division. Invoices covering any such item shall show evidence of such compliance, unless this requirement has been waived by AID.

(C) *Qualification Costs*

1. The cost of collecting samples, if any, must be listed as a separate item in the supplier's invoice in order to be eligible for financing by AID. In addition, the supplier's invoice must be accompanied by a separate itemized invoice covering sampling costs.

2. The cost of plant inspection incurred by foreign suppliers in the process of qualifying the use of the U.S. Food and Drug Administration antibiotic and insulin certification service will not be financed by AID.

(D) *Expiration Dates*

The actual expiration date for each product supplied, or an indication that no expiration date was established by its manufacturer, must be listed opposite each item billed. No more than 1/6 of full dating periods from 1 through 18 months, nor 1/3 full dating periods of more than 18 months shall have expired on the date of shipment.

(E) *Professional Samples*

Professional samples shall not be furnished in connection with AID-financed sales of pharmaceuticals in other than finished-dosage form. If sales of finished-dosage forms are eligible for AID financing, any professional samples furnished in connection with such sales shall be at the supplier's expense and must contain less than the manufacturer's smallest available commercial package (but not less than an individual dose) of the same product. Each professional sample shall clearly state in its label "professional sample". Invoices covering AID-financed pharmaceuticals must include an itemized accounting of professional samples related therein, whether or not shipped separately.

(F) *Certification*

The following certification must accompany the other documentation required by AID for reimbursement:

"I (We) certify that this transaction, financed under Letter of Credit No. ———————— meets all requirements of I.A., I.B., I.C., I.D. and I.E. of 'Special Provisions for AID Financing of Pharmaceuticals' as attached to such Letters of Credit and that required certificates are attached hereto."

(Signature),————————————

(Title)————————————

(Supplier)————————————

II. *Banks Responsibilities*

When AID finances the importation into a host country of pharmaceuticals, U.S. Banks shall be responsible for:

A. Attaching "Special Provisions for AID Financing of Pharmaceuticals" to any Letter of Credit established under this authorization for the procurement of commodities included in Commodity Codes for pharmaceuticals.

B. Obtaining from suppliers the certification contained in paragraph I.F. of "Special Provisions for AID Financing of Pharmaceuticals" as a requisite for reimbursement.

390 . . . *Chemicals and Chemical Preparations (Excluding Alcohol), Fertilizers, Synthetic Rubber and Toilet Preparations).*

3901 *Coal-tar dyestuffs (excluding sulphur black).*

Funds specified herein may be used only to finance colours, dyes and pigments listed in the Colour Index (Society of Dyers and Colourists, and the American Association of Textile Chemists and Colourists), or any of the types of product covered by the Colour Index invented or produced subsequent to the issuance of same. Notifications to the Office of Small Business, AID, and purchase contract must include the specific colour required and the Colour Index or prototype number.

3907 *Carbon Black*

Form AID-285 executed by the supplier. If the supplier indicates on Form AID-285 in the space provided there for that he is not also the producer of the commodity, he shall submit an additional Form-285 executed by the producer of the commodity and attach thereto an invoice executed by the producer covering the identical goods for which the supplier seeks payment.

541 *Textile Fabrics*

A. One copy of Form AID-1130-4, Textile Fabrics Supplier's Certificaton, signed by the supplier, for each item listed on the invoice.

B. Textile fabrics procured hereunder must be manufactured and processed within the United States. Manufacturing and processing of textile fabrics is interpreted as requiring that all steps in the manufacture of the finished product, including spinning, weaving, felting knitting and finishing as applicable must have been performed within the United States.

AID Commodity Code	Description
	C. In addition to documentation required by AID Regulation I and other provisions included herein, *the following certifications of compliance with paragraph B immediately above, must be attached to or endorsed on each invoice presented for payment and must be signed by the supplier or his authorised representative.*
	" I (We) certify that the textile fabrics listed on the attached invoice or invoiced herein were manufactured and processed within the Area of Source covered by AID Geographic Code 000 and that all steps in their manufacture and processing as a finishned product, whether spinning, weaving, felting, knitting, finishing or any other step, were performed within AID Geographic Code 000 ".
	Authorized Signature of supplier..... Title ..... Date.....
5701 . . .	*Logs, Bolts, and Hown Timber*
5703 .	*Railroad Ties (Sleepers)*
	A. One copy of inspection certificate by an independen inspection agency affirmying that the quality is in accordance with the term of the underlying contract.
	B. In the procurement of logs and pitprops funds specified herein may not be used to procure ; (1) Higher than utility grades for the respective uses, or (2) For other than normal production by existing processing facilities.
	C. In the procurement of railroad ties :
	(1) Ties procured must be bought under open competitive bidding using U. S. Federal Specification MM-T37C(1) a amended by Interim Amendment 2, with the following per missible alternates :
	(*a*) Other species equally suitable for railroad tie use, as those listed in U. S. Federal Specification MM-T-37C(1), may also be included in the specifications by the purchaser.
	(*b*) Dimensions different from those given in U. S. Federal Specification MM-T-37C(1) may be specified. In using fractions of an inch no dimension less than one-fourth (1/4) of an inch may be used for stating the normal overall width thickness, and length measurements.
	(2) If untreated ties are procured, gum or mixed hardwoods including gum are not permitted.
	(3) Before installations, ties procured must be properly seasoned and pressure preservatively treated in accordance with U. S. Specification TT-W0571H or equal.
591 . . . 5915	*Pulp, Paper and Products (Except Newsprint)* *Wood Pulp.*
5916 5917	*Corrugating Material a Paper and Paperboard.* *Kraft Paper and Kraft Paperboard.*
	Form AID-285 executed by the supplier. If the supplier indicates on Form AID-285 that he is not also the producer of the commodity, he shall submit an additional

AID Commodity Code	Description
	Form AID-285 executed by the producer of the commodity and attach thereto an invoice executed by the producer covering the indentical goods for which the supplier seeks payment.
610 . . .	*Coal and Related Fuels.*
	Copy (or photostat) of certificate by independent coal testing laboratory, endorsed on or attached to each invoice submitted for payment, showing analysis obtained from tests and certifying that :
	(1) The laboratory was engaged by the purchaser.
	(2) Samples of the coal invoiced were taken from cars at loading piers in the presence of a representative of the laboratory.
	(3) Such samples were taken and prepared for testing in accordance with requirements of American Society for Testing Materials.
621 . . .	*Petroleum Non-Fuels.*
	6871 *Lubricants and Greases.*
	A. Invoices for packaged Lubricants and Greases must identify commodities shipped hereunder by:
	(1) AID Commodity Code :
	(2) Proprietary name, if any, and other suitable identifying description, including generally accepted trade identification symbol, and, when applicable, the viscosity number ; and
	(3) Applicable United States Military or Federal Specification Number, if any.
	B. For bulk shipments of lubricants, a copy of loading or inspection sheet indentified to the invoice and showing analysis obtained from tests of the invoiced materal.
640 . . .	*Non-Metallic Minerals and Products.*
	6406 *Sulphur.*
	Form AID-285 executed by the supplier. If the supplier indicates on Form AID-285 that he is not also the producer of the commodity, he shall submit an additional Form AID-285 executed by the producer of the commodity and attach thereto an invoice executed by the producer covering the identical goods for which the supplier seeks payment.
660 . . .	*Iron & Steel Mill Products (Including Tinplate)*
A	*Specifications*
	Iron and Steel Mill Products (Including Tinplate) shall be according to specifications calling for primary quality.
B	*Additional Documentation Required for Reimbursements for Deliveries of Primary Quality Iron and Steel Mill Products (Including Tinplate).*
	1. A certificate by the supplier endorsed on or attached to the invoice as follows :
	"The undersigned certifies that the material furnished is of primary quality".

AID Commodity Code	Description

2. The following supporting documents must be issued and signed by an authorised official of the producing mill itself.

(*a*) Producing Mill Certificate covering each shipment.

(*b*) Producer's Packing List covering each shipment.

(*c*) Certification by the firm (on the firm's letter-head) issuing the Producing Mill Certificate and Packing List, that the firm is a producer of primary iron or steel mill prducts and/or a manufacturer that converts and/or processes primary iron or steel mill products into different primary iron or steel mill products, to conform with U. S. Federal specifications or specifications issued by one or more of the organisations listed below, by forming, rolling, coating, drawing, or other processes, other than roller levelling and/or shearing except for conversion of sheet to strip.

American Society for Testing Materials.

Society of Automotive Engineers.

American Iron & Steel Institute.

American Society of Mechanical Engineers.

Llyods Register of Shipping.

American Bureau of Shipping.

American Petroleum Institute.

Association of American Rail roads.

American Railway Engineering Association.

692 . . . *Copper, Including Scrap.*

Financing of copper scrap is subject to the following conditons :

(1) Tender specifications for the scrap metals must be stated in terms of Circular NF-58 of the National Association of Secondary Material Industries, Inc. (NASMI). Similarly supplier's invoices and suppliers' certifications, as well as all shipping documents would have to carry the same specifications, namely the NF-58 Code name. The standard classifications and Code names developed by NASMI are widely recognized in international trade, and provide sufficient descriptive data as to condition, copper content, size of pieces, etc., to avoid possible misunderstandings between the supplier and importer ; and

(2) Requests for disbursement must be accompanied by an inspection certificate, issued by a duly recognized inspection firm, certifying that the commodities have been inspected *at the pier* and conform to the NF-58 specifications for the respective code name.

Importers under these conditions are not required to procure these scrap metals from a member of the NASMI, or for that matter from a member of any trade organization. Membership by the supplier in NASMI is not a condition to AID financing It is understood that NF-58 specifications although developed by NASMI, are widely used in international trade regardless of whether the supplier is or is not a member of the NASMI.

820 . . . *Motor Vehicles, Engines and Parts.*

Special Provisions previously applicable to rebuilt auto parts are in the process of revision and new requirements to govern procurement of rebuilt auto parts will be announced at a later date.

AID Commodity Code	Description
891 . . .	*Rubber and Rubber Products.*
	Financing of all rubber tires and tubes under this authorisation shall be limited to those transactions on which suppliers agree to purchase excess natural rubber from the U. S. Strategic and Critical Stockpile in such amounts as may be prescribed by the G.S.A. upto the full dollar value of the sale price of the tires and tubes supplied. Full particulars concerning the amount of rubber to be purchased from the stockpile under this particular programme may be secured from the General Services Administration, Proprty Management and Disposal Service, Washington, D. C. 20405.
8913 . . .	*Tires, Tubes and Repair materials.*
	Form AID-285 executed by the supplier. If the supplier indicates on Form AID-285, that he is not also the producer of the commodity, he shall submit an additional Form AID-285 executed by the producer of the commodity and attach thereto an invoice executed by the producer covering the identical goods for which the supplier seeks payment.

ANNEXURE XIII

Form of Application for Release of Bank Guarantee

(Application to be submitted by Importer's *bank, not* by the importer).

To

The Senior Accounts Officer,
Ministry of Finance,
Department of Economic Affairs,
Jeevan Deep Building,
Parliament Street,
New Delhi.

Sir,

We are furnishing below detailed information on the rupee deposits made by us in discharge of our obligations under our Bank Guarantee No. ———— dated ———— for an amount of Rs. ———— with the request that the same may be released and returned to us:

1. The name and full address of the importer/licensee on whose behalf the bank guarantee was furnished;

2. The import licence No., date, value and brief description of the commodities allowed for import thereunder;

3. Particulars of the Authorisation(s) for opening Letters of Credit obtained from the Ministry of Finance;

(a) Letter No. and date;

(b) Amount of authorisation;

(c) AID Letter of Commitment involved (No.) and Loan No.:

4. Particulars of Imports and rupee deposits made (to be given separately for each Letter-of-Credit-Authorisation):

(a) Particulars of Letters of Credit opened (No date, value and the suppliers name);

(b) Invoice No. and date relative to each Letter of Credit;

(c) Amount of invoice (net) in *dollars*;

(d) Amount of rupee deposit;

(e) Relative challan No. and date and the name of treasury/bank;

(f) If by demand draft, No. and date of the demand draft and the No. and date of the letter with which the draft was sent to the A.G.C.R., New Delhi.

5. Amount utilised and balance unutilised (in dollars) in each Letter of Credit Authorisation:

II. We certify that:

(1)* the balance amounts of $———— available in the authorisation(s) given by the Ministry of Finance has not been utilised/will not be utilised.

(or)

no letter of credit was opened under the authorisation(s) and the authorisation(s) lapsed

(or)

the letter(s) of credit opened against the authorisation letter(s) expired unutilised.

(2) the commission(s) to the agent in India, where payable, has|have been paid in accordance with the terms and conditions governing the licence and the authorisation letter(s) and

(3) our obligations under the bank guarantee in question have been duly discharged.

III. We request that the bank guarantee may please be released and returned to us for cancellation.

Yours faithfully,

Authorised Agent

for and on behalf of the bank.

P. D. KASBEKAR,

Chief Controller of Imports and Exports.

*whichever is applicable.

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